



Daily Report

Latin America

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Monday
23 January 1989

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Further on Central American Summit Date

Presidents Agree on 8-9 Feb

PA1901124789 Managua Radio Sandino in Spanish
1203 GMT 19 Jan 89

[Text] President Daniel Ortega talked yesterday by telephone with Guatemalan President Vinicio Cerezo and Costa Rican President Oscar Arias, with whom he discussed the date for the next Central American summit meeting. Guatemalan President Cerezo, who in turn spoke with Honduran President Jose Azcona and Salvadoran President Jose Napoleon Duarte, said that both agreed to hold the meeting in San Salvador on 8 and 9 February.

In addition, Costa Rican President Oscar Arias Sanchez said he is willing to attend the meeting on those dates.

In view of this, the Nicaraguan Government will convoke the foreign ministers and technical commission meetings, to be held in Managua in February prior to the Central American summit.

Nicaragua Issues Communique

PA1901214989 Managua Radio Sandino in Spanish
1956 GMT 19 Jan 89

[Nicaraguan Foreign Ministry communique issued in Managua on 19 January]

[Text] Foreign Ministry, Managua, Nicaragua.

Communique: The Foreign Ministry of the Republic of Nicaragua reports to the Nicaraguan people and the international community that Foreign Minister D'Escoto, in his capacity as secretary pro tem of the Esquipulas accords Executive Commission, today called on the other Central American governments to participate in a foreign ministers meeting to take place in Managua on 6 and 7 February before the presidential summit, which is scheduled for 8 and 9 February in San Salvador.

The main part of Foreign Minister D'Escoto's note to the other Central American foreign ministers reads as follows:

Messrs ministers, I have the honor to address Your Excellencies to bring the following to your attention: The most recent consultations made at the highest levels regarding the dates for the Central American presidential summit suggest that there is a consensus to hold this meeting in San Salvador on 8 and 9 February. At least one head of state has said that should the summit not take place on those dates, it would be virtually impossible for him to attend on another date in February.

Therefore, assuming that the summit will be held on 8 and 9 February, in my capacity as secretary pro tem of the Executive Commission I call for a technical meeting in Managua on 4 and 5 February and a foreign ministers meeting on 6 and 7 February, also in Managua.

Issued in Managua, 19 February, 1989.

Costa Rica Rejects 8-9 Feb

PA2001000789 Hamburg DPA in Spanish 2212 GMT
19 Jan 89

[Text] San Jose, 19 Jan (DPA)—Official sources at the Costa Rican Presidency today announced that the Costa Rican Government has rejected 8 and 9 February as the dates for the Central American presidential summit.

According to an official spokesman, "Costa Rica maintains that it would be impossible to hold the summit on 8 and 9 February because many Central American presidents and foreign ministers will be at Carlos Andres Perez' inauguration in Caracas, Venezuela during the first few days of the month. High-ranking officials from the five Central American governments should meet on 8 and 9 February and the Central American foreign ministers should meet on 14 and 15 February. Both of these meetings should be in Managua."

Costa Rican Foreign Minister Rodrigo Madrigal Nieto said yesterday that "the possibility of holding the meeting on 8 and 9 February, as proposed by Guatemalan President Vinicio Cerezo, has been dismissed."

A few days ago Costa Rican President Oscar Arias agreed on 19 and 20 February as the dates for the summit in San Salvador.

On that occasion, Arias said: "Who must now decide on the date for the summit is Salvadoran President Jose Napoleon Duarte, who will undergo treatment for his illness within the next few days."

A report on the diplomatic circuit today said that Arias delayed the presidential summit scheduled for last Monday because the Costa Rican Legislative Assembly has not approved the Central American parliament agreement, and Arias hopes that by 19 February the agreement will have been approved and he will be able to attend the summit and say that "Costa Rica has fulfilled Esquipulas II."

Costa Rica is the only Central American country that has not approved the Central American parliament.

Arias Agrees to 8-9 Feb

PA2001034489 Hamburg DPA in Spanish 0234 GMT
20 Jan 89

[Text] San Jose/Managua, 19 Jan (DPA)—The Central American presidents summit meeting will definitely be held in San Salvador on 8 and 9 February. The decision was made after Costa Rican President Oscar Arias agreed with Nicaraguan President Daniel Ortega's proposal of 18 January and considered Honduran President Jose Azcona's announcement that he would not attend a meeting after 15 February.

Arias said at the presidential palace in San Jose: "All of us, the five presidents, have agreed to hold the meeting on 8 and 9 February."

The announcement of the meeting has been preceded by much hesitancy among the presidents, who could not agree on a firm date for the meeting.

The fourth Central American summit has been postponed four times, most recently at Arias' request. He justified his position on the need to wait until George Bush assumes office as U.S. President and outlines a definite U.S. policy in the region.

According to the schedule made known in San Jose, a high-level technical meeting and a foreign ministers meeting will be held in Managua on 3-4 February and 6-7 February, respectively, to draft the agenda, which will focus on a reaffirmation of the regional peace process initiated with the Esquipulas accord in 1986. It has been reported that the agreement to be reached by the presidents in San Salvador will be called Esquipulas IV.

The Costa Rican president stated tonight that his country will attend the meeting "with the fervent desire that there be peace in the region."

Arias had postponed the presidential meeting that was scheduled for last Monday in San Salvador because his country's Legislative Assembly had not approved the Central American Parliament agreement, one of the possible topics of the meeting. In exchange, Arias proposed 19 and 20 February as alternate dates, which was rejected by his Central American colleagues.

The Honduran president's insistence on holding a meeting before 15 February was because of his plans to travel to the United States and Japan in the near future. Azcona emphasized the desire of the majority of presidents of the region to hold the summit the 2d week of February.

The holding of the summit had also been questioned in view of Salvadoran President Jose Napoleon Duarte's proposal to postpone the meeting in view of the upcoming presidential elections scheduled for 19 March.

San Salvador was selected as the summit site in view of the delicate health of Duarte, who is suffering from stomach cancer.

Cerezo: Summit Postponed Again
PA2101181889 Panama City ACAN in Spanish
1630 GMT 21 Jan 89

[Text] Guatemala City, 21 Jan (ACAN-EFE)—Guatemalan President Vinicio Cerezo announced today that the Central American summit, scheduled for 8-9 February in San Salvador, has been postponed until 13-14 February.

Cerezo said during an impromptu news conference that "we have practically reached an agreement with the other presidents" on the new date, which has yet to be confirmed by the other regional governments.

This is the sixth time that the Central American summit has been postponed. It was originally scheduled for August 1988 to revitalize the regional peace process.

The Nicaraguan Government said on 19 January that the Central American presidents had agreed to hold the meeting on 8-9 February, which was confirmed by the Costa Rican Foreign Ministry the next day.

Cerezo emphasized that his Salvadoran counterpart, Jose Napoleon Duarte, proposed the new dates because on 8-9 February the Honduran and Salvadoran foreign ministers will be at the International Court of Justice in The Hague, presenting their reports on the border dispute between the two countries.

Following the announcement of the new postponement, Guatemalan President Vinicio Cerezo said he trusts that the Central American summit will be held "according to schedule."

The Guatemalan president recalled that he had supported Costa Rican President Oscar Arias' opinion that the summit should be postponed until after U.S. President George Bush's inauguration.

Arias Agrees to 13-14 Feb
PA2101223989 Hamburg DPA in Spanish 2150 GMT
21 Jan 89

[Excerpt] San Jose, 21 Jan (DPA)—Costa Rica has agreed on 13-14 February as the new dates for the Central American summit to be held in San Salvador.

A spokesman for the Costa Rican Presidency told DPA that Costa Rican President Oscar Arias agrees with the new dates, especially since he had said that "it was up to President Duarte to set the dates."

It was learned in San Jose that Salvadoran President Jose Napoleon Duarte announced the new dates—the sixth date change in the past 3 weeks—this morning in San Salvador.

In establishing the new dates, President Duarte took into consideration Honduran President Jose Azcona's desire for the summit to be held before 15 February, since after that date he will be traveling abroad.

According to the information received at the Costa Rican Presidential Palace, Duarte said that "Guatemalan President Vinicio Cerezo also agrees with the new dates."

DPA was told that "President Arias talked with Salvadoran President Duarte this afternoon to inform him that he agrees with the new dates." [passage omitted]

Cuba

Reportage on Malmierca's Official Visit to PRC

Arrives in Beijing 19 Jan

FL1901142189 Havana Tele-Rebelde Network
in Spanish 1400 GMT 19 Jan 89

[Text] Cuban Foreign Minister Isidoro Malmierca arrived in Beijing on an official visit today. The Cuban foreign minister will exchange views with his counterpart Qian Qichen on the status and outlook of the development of Cuba-China relations. In addition, they will discuss the main international political issues. Malmierca will be received by Premier Li Peng as well.

The Cuban delegation is composed of Vice Foreign Minister Pedro Diaz Arcia, the chief of the Foreign Ministry's Asia and Oceania Directorate, and other officials.

Holds Talks With Qian

FL2001150789 Havana Tele-Rebelde Network
in Spanish 1335 GMT 20 Jan 89

[Text] Cuban and Chinese Foreign Ministers Isidoro Malmierca and Qian Qichen expressed today their satisfaction over the development of bilateral relations in the last few years. The two foreign ministers said conditions exist for the strengthening of those relations.

According to reports, official talks took place this morning in a very positive atmosphere. Among other subjects, the Cuban and Chinese foreign ministers discussed Latin America, East-West and North-South relations, southwest Africa, and the agreement signed recently by Angola, Cuba, and South Africa to guarantee the safety of Angola and Namibia's independence.

Urges 'Solidarity' on Africa

FL2101012589 Havana Radio Rebelde Network
in Spanish 0003 GMT 21 Jan 89

[Text] Cuban Foreign Minister Isidoro Malmierca said today that the South African racists have not renounced their policy and that it is necessary to reinforce international solidarity with the people of Namibia, southern Africa, and the Frontline States.

Malmierca made this call during the official welcome luncheon offered in his honor by Chinese Foreign Minister Qian Qichen at the Diaoyutai government house after 2 hours of talks between the two parties.

In his speech, Malmierca stressed that the South African racists imposed the apartheid regime against the South African black people and that they have not renounced their policy. Because of this, stressed the Cuban foreign minister, it is necessary to maintain and strengthen the struggles of the people and the international solidarity

supporting the Frontline States, which suffer constant attacks from the racists, the independence of Namibia, and the heroic combatants of the African National Congress.

Discusses New Economic Order

FL2101164789 Havana Radio Reloj Network
in Spanish 1532 GMT 21 Jan 89

[Text] Cuban Foreign Relations Minister Isidoro Malmierca has said in Beijing that the abyss which separates the industrialized nations from the underdeveloped countries is growing constantly, thus creating an urgent need to (?completely) transform the current economic order. In his statements to PRENSA LATINA and Radio Beijing in China, Malmierca emphasized that the development of the smaller nations requires the abolition of the weight of the foreign debt and the elimination of unequal economic relations.

The Cuban minister, who is on an official visit to the PRC—the first one made by a Cuban minister to the Asian nation since the establishment of diplomatic relations in 1960—expressed optimism and satisfaction with the talks held with his counterpart Qian Qichen. During the dialogue, Malmierca said, agreements on important issues of the world situation were discussed.

Meets With Premier Li Peng

FL2101191389 Havana Tele-Rebelde Network
in Spanish 1800 GMT 21 Jan 89

[Text] Cuban Foreign Minister Isidoro Malmierca today conveyed the warm greetings sent by President Fidel Castro to Chinese Premier Li Peng as he was received by the Asian country's head of government. Li Peng thanked Malmierca for the greetings and reciprocated them for himself and on behalf of Chinese President Yang Shangkun.

During the meeting, which was held at the Great Hall of the People, the Cuban minister said the visit marks a new development in the process of the continuous promotion of friendly relations between the two countries. Li Peng, on his part, said that the visit—the first one by a Cuban minister—shows the development and progress made in bilateral relations during recent years. He also said he is in favor of their further expansion in the future.

PRC Media Coverage

For PRC media coverage of the visit by the Cuban delegation headed by Foreign Minister Isidoro Malmierca, see the International Affairs section of the 23 January China DAILY REPORT and subsequent issues.

Castro on Venezuela Trip Reports; Pope's Visit
FL2001131389 Havana Tele-Rebelde Network
in Spanish 1200 GMT 20 Jan 89

[Text] Commander in Chief Fidel Castro Ruz has talked to PRENSA LATINA on his possible trip to Venezuela and the prospects of Pope John Paul II's visit to Cuba.

Answering a reporter's question regarding international news dispatches and Venezuelan newspapers reporting that he will visit the country for Carlos Andres Perez' presidential inauguration, Fidel said: Indeed, I have been invited to that ceremony. This is a friendly gesture toward Cuba on the part of the next president, and we greatly value it. We cannot forget either that Carlos Andres Perez behaved energetically and justly after the monstrous Barbados crime in which dozens of valuable Cuban young people lost their lives together with other compatriots and several foreigners.

As you know, the main perpetrators of that despicable action were arbitrarily exonerated in a shameful and tampered-with process. One of them even escaped from prison twice, the second time permanently, before the final verdict. Such things could not have taken place without serious complicities. All this naturally damaged diplomatic relations between the two states and deeply hurt our people. Although relations were not formally broken, we don't even have a diplomatic mission in Venezuela.

I believe Carlos Andres is motivated by a sincere wish for these relations to improve and, at the same time, to promote unity and cooperation among all Latin American and Caribbean countries. His inauguration undoubtedly constitutes an important political event. However, nobody can categorically be certain of my trip to Venezuela at that time. The PCC and Cuban Government leadership have not yet decided on the matter. This decision depends on several factors. All the necessary information and the elements of judgment are being analyzed to adequately decide what should be done.

Responding to another question posed by the reporter regarding the visit by Cardinal Echeagaray at the end of last year and the possible visit of the pope to Cuba, Fidel said: At the end of the meeting, which was respectful, friendly, and even warm, the cardinal told me that during his tour through the country many Catholics had expressed a desire for the pope to visit Cuba. I responded that there would be no obstacles on the part of the Cuban Government, that the pope's visit to Cuba only depended on his own decision. I said the pope is appreciated in our country, not only by Catholics but also by the rest of the population, as a prominent and influential personality on the international scene. If he decides to visit Cuba in the future, he will be received with hospitality and respect. From my part, personally, it will be a pleasure to talk with him regarding important matters of interest in today's world.

Delegation Departs for Tripartite Discussions

To Meet in New York

FL2101003189 Havana Radio Rebelde Network
in Spanish 0001 GMT 21 Jan 89

[Text] Delegations from Cuba, Angola, and South Africa will soon meet in New York to discuss the tripartite agreement that was signed by all three countries on 22 December 1988 in that city.

According to diplomatic sources in the United Nations, the meeting will be of a constitutive nature because the delegates will make a decision on forming a joint commission to avoid anything that would violate the agreement.

In this sense, these officials reiterated the need to assure Namibia's independence through free and just elections. They will also make certain that there will be no action to impede the fulfillment of UN Security Council Resolution 435. Just the same, they have stressed the importance that the parties involved do not threaten or use force against any southwest African country and that they respect the commitment not to use any of its territory for acts of war, aggression, or violence against its territorial integrity and the commitment to the sovereignty of its borders and the independence of others. [sentence as heard]

Talks With Angolans Reported

FL2301114689 Havana Radio Progreso Network
in Spanish 1117 GMT 23 Jan 89

[Text] Delegations from Angola and Cuba met this Sunday at the United Nations to exchange opinions on the tripartite agreement signed by the two countries and South Africa on 22 December.

According to PRENSA LATINA [PRELA], the two delegations reviewed all the aspects contained in the document, which was signed a month ago.

During the meeting, details were finalized on the formation of a joint commission that will be responsible for settling any violation that occurs in the application of the agreement.

The Cuban delegation meeting in New York also met with U.S. officials. The United States will participate as an observer in the meeting between Cuba, Angola, and South Africa to insure the fulfillment of the agreement, which will provide for Namibia's independence.

The Cuban delegation is headed by Carlos Aldana, member of the Secretariat of the PCC Central Committee; Division General Ulises Rosales del Toro, chief of the General Staff; General Jesus Bermudez Cutino; and Ricardo Alarcon, vice foreign minister.

Diplomatic sources contacted by PRELA reported that the meeting for the creation of the joint commission will take place this Monday. The same officials reiterated the necessity of completing all that was stipulated in the agreement so that the Namibian people can attain their independence through the realization of free and just elections. Regarding this matter, the officials stressed the importance of taking into account the current situation in Namibian territory, which has changed since 1978 and which has recently gotten worse. In this sense, they supported the stance taken by the nonaligned countries to avoid a reduction in the UN military component which will help in the transition in Namibia and ensure that this process is fulfilled with all the necessary guarantees.

FAR Issues Note on Early Troop Withdrawal
FL1901135089 Havana Tele-Rebelde Network
in Spanish 1200 GMT 19 Jan 89

[Text] GRANMA newspaper, our party's official organ, published today in its front page a FAR Ministry note titled "Cuba complies ahead of time with the initial commitment to return 3,000 combatants [words indistinct]." As our people know, over 1,000 internationalist combatants returned to Cuba from the People's Republic of Angola in January [words indistinct] aboard seven Cuban and Angolan airlines flights.

Two Soviet passenger ships chartered by Cuba left the Luanda port with 1,000 combatants on 10 and 15 January, as part of the first internationalist contingent returning to the fatherland. They will arrive in Havana at the end of this month and the first part of February. With the departure of the last ship, Cuba has fulfilled in only a month the initial commitment to transfer 3,000 combatants in 3 months. This is a goodwill gesture within the framework of the bilateral agreement signed with Angola at the United Nations, which provides for the gradual and total withdrawal of the Cuban internationalist contingent that has remained in the sister African nation for over 13 years.

The return of the 3,000 combatants was adequately verified by a UN mission designated for this purpose and the signing of the appropriate certificates was witnessed by the international media. The early fulfillment of the return to Cuba of this first group, according to the general timetable agreed on with the Angolan authorities, reiterates the will to comply with and the serious treatment given to the agreements signed by our government.

Ministry of the Revolutionary Armed Forces.

Commentary Sees Bush as 'More Pragmatic'
FL2001191289 Havana Radio Rebelde Network
in Spanish 1800 GMT 20 Jan 89

[Station commentary]

[Text] George Bush will assume the presidency of the United States today. As an observer said, he is at the helm at a time when there are several very tense areas in

the world. Citing just one, let us note the foreign debt, which threatens more and more to unleash a political and social disaster of unpredictable consequences. We have to see how Bush deals with this and many other similar problems, along with the not so few domestic problems.

As far as Cuba is concerned, we will say this: The new President follows an administration that was notoriously aggressive toward our country. During the course of 8 years, Reagan's policy toward Cuba was full of constant threats and increasing intensification of the blockade. It is true that he created difficulties for us, but his policy failed. Instead of becoming weaker, the revolution strengthened its defense. Instead of being careless, it continued with its rectification process and it improve materially and spiritually.

The present U.S. President is said to follow a more pragmatic than ideological philosophy. This trait gives him an ability to have a more open mind, to be more understanding and flexible. Cuba sees this with good eyes, but does not have any expectations. As Fidel has said, we will only consider the facts. No positive steps the United States took in the past regarding Cuba were ignored. They will not be ignored now. The revolution has always responded to the same extent to any signal spoken or given with a constructive spirit. Invariably, we have always believed that many problems, even complex ones, can be solved if one works with willingness, goodwill, seriousness, and respect.

No inferences should be made of a stand. There should be no confusion regarding Cuba's position, and no erroneous analyses should be made. As Fidel has said, and we have remembered on other occasions, Cuba is not responsible for the situation created with the United States. If the United States changes its policy toward our country, it will have to be based on its understanding that neither the Cuban people nor Castro are opportunistic people, people who change banners, or people who can be bought.

Bahamas

Pindling Appoints Three New Cabinet Members
FL1901212889 Nassau Domestic Service in English
1800 GMT 19 Jan 89

[Text] Three new cabinet ministers were announced last evening by Prime Minister Pindling. Obie Wilchcombe has the details.

The three new appointments are: the Honorable Charles Carter, who will be the minister of foreign affairs; Dr the Honorable Bernard J. Nottage, who will be the minister of consumer affairs; and Senator the Honorable Sean G.A. McWeeney who will be the attorney general.

The appointments have brought about a reallocation of responsibilities within the cabinet. The Honorable Edward Charles Carter will have responsibility for the Ministry of Foreign Affairs, Passport Office, and the Bahamas Information Services Department, all of which were previously under the portfolio of Deputy Prime Minister the Honorable Clement Maynard. Mr Maynard will maintain responsibility for tourism, the (?Gaming) Board in the Ministry of Public Personnel.

Dr the Honorable Bernard J. Nottage will have responsibility for consumer protection, the Bahamas Electricity Corporation [BEC], Batelco [Bahamas Telecommunications Corporation], Water and Sewage Corporation, and broadcasting and television. BEC, Batelco, Water and Sewage previously fell under the portfolio of the Honorable Darrell Rolle. Mr Rolle will now be minister responsible for works and land, and will have responsibility for the Ministry of Works, Department of Public Works, Department of Physical Planning, and the Department of Lands of Surveys.

Senator the Honorable Sean McWeeney will be responsible for the Office of the Attorney General, the Judicial Department, and the Registrar's General Department.

The Honorable Paul Adderley will be the minister of Education and National Security. He will have responsibility for the Ministry of Education, the Royal Bahamas Police Force, the Defense Force. The Prisons Department is now included in his portfolio, and he will have responsibility for rehabilitative welfare services and responsibility for the Parliamentary Registration Department. The prime minister will continue as the minister of finance.

The Honorable Ervin Knowles will continue as the minister of agriculture, trade, and industry. The Honorable Alfred T. Maycock will continue as the minister responsible for employment and immigration. The Honorable Philip M. Bethel will continue as the minister responsible for transport and local government. The Honorable George W. Mackey will continue as the minister of housing and national insurance. Dr the Honorable Norman R. Gay will continue as minister of health, and Senator the Honorable Peter J. Bethel will continue as the minister of youth, sports, and community affairs.

The new cabinet ministers will be sworn in this afternoon at a ceremony at Government House. As a result of Senator McWeeney's appointment to attorney general, he announced his resignation as chairman of the Progressive Liberal Party with immediate effect.

New Ministers Comment

*FL2001215089 Nassau Domestic Service in English
1800 GMT 20 Jan 89*

[Text] The three new ministers appointed by Prime Minister Pindling Wednesday evening were sworn in yesterday afternoon during a special ceremony at Government House. The new ministers, whose appointments

become effective today, are: Senator the Honorable Sean McWeeney, the country's attorney general; the Honorable Charles Carter, the minister of foreign affairs; and Dr B.J. Nottage, who heads the newly formed Ministry of Consumer Affairs. Before the appointments there were only 10 cabinet ministers; now there is a total of 13.

The newest cabinet ministers made their first statements at a Holy Cross meeting last evening, and they all pledged committed service. Michelle Malcomb reports:

Attorney General Senator the Honorable Sean McWeeney said he feels deeply honored to have been elevated to such a high office of faith. He praised his predecessor, the Honorable Paul Adderley, saying that his is a record of excellence to which the country owes a tremendous debt of gratitude. Mr McWeeney pledged to uphold the standard of the office.

[Begin McWeeney recording] I want all Bahamians to be assured that the integrity of that office will be held intact. I know there are some, not in this room I am sure, but who may be wondering whether this will be a different sort of fellow, whether he might be approachable on certain unapproachable things. If there be any man who is having trouble with that question, just let him try it; just let him try it and see. I can assure you that anyone who attempts to compromise the Office of the Attorney General, or the holder of that office, will be ruthlessly pursued to the fullest possible extent of the law. [applause] When it comes to discharging the duties of that office, the holder of that office is required to be politically blind, color-blind, class-blind. Objectivity and [word indistinct] treatments of analysis are the qualities which must be brought to bear. [end recording]

Foreign affairs minister, the Honorable Charles Carter, also praised his predecessor. He said that the Honorable Clement Maynard embodies much diplomatic and managerial skills and would be a hard act to follow. He told his constituents, however, that he will closely follow the advice given to him by the prime minister.

[Begin Carter recording] The prime minister wrote me a note this morning and that note said: Review the facts, check and check again, number one. And number two, put your country above all things. And I thought about that advice this afternoon when I was being sworn in; and when I came home, my wife said: Boy, you're somber. I said: I am thinking about something. I was thinking about that advice. I believe that that advice will be the perfect kind of guideline to (?do my job) in dispatching my ministerial responsibilities. [end recording]

Minister of consumer affairs, Dr the Honorable Bernard Nottage, said that he has wanted to serve the Bahamas all his life. He said that he owes a debt to this country, and he feels he is responsible to every young, old, and unborn

Bahamian. Realizing that he now has an opportunity to serve, Dr Nottage assured the Prime Minister and the country that he will be vigilant in his duties.

[Begin Nottage recording] I am going to be out there protecting you from anybody who wants to (?hurt) you. [applause] And while the government has done much to recognize that, there are still lots of areas without electricity and still lots of homes without phones and lots of areas without water. We are going to try and do what we can to improve the quality of life in those areas. We are going to try to take (?broadcasts) into new heights, and to use it to try and develop the country in which we live. And so, anybody out there who wants to be against national service, let him go straight ahead. Don't let them left or right until they walk into the man with the wrong [word indistinct]. But I, Bernard Nottage, I believe in national service. I am going to serve my country. I am going to serve it with wisdom, with responsibility, with dignity, and with pride. And I am going to make you proud as hell that you ever gave me this responsibility. [end recording]

The three men thanked Prime Minister Pindling for displaying confidence in them and entrusting them with weighty responsibilities, and they pledged to make the nation proud.

Bermuda

Premier Swan Calls for 9 Feb Elections
FL1901175389 Bridgetown CANA in English
1659 GMT 19 Jan 89

[Text] Hamilton, Bermuda, Jan 19, CANA—Bermuda Premier John Swan on Thursday called his third general election in just 6 years. The poll on February 9, the same day as the Jamaican general election, comes just over 3 years after the last general election, which Swan's United Bermuda Party [UBP] easily won. Swan announced the election date at a midday press conference.

The election call had been widely anticipated since early December. Swan is believed to be going to the country early because of fears the tourism and tax haven-based economy is slowing down.

Finance Minister Clarence James has already said his budget next month, if the UBP wins the election, would not include unusual tax increases.

The UBP has run Bermuda since the British colony was given its Constitution in 1968 and is virtually certain to retain control of government. However, the party could lose a few marginal seats, including those held by up to three cabinet ministers, political analysts say. At the last election in October 1985, the UBP won 31 seats including the speakers, in the 40-meter House of Assembly. The opposition Progressive Labour Party (PLP) won seven and the National Liberal Party, formed by a PLP splinter group in 1985 won two seats.

All three parties have been gearing for the election for sometime. The PLP has been announcing its candidates gradually over the past 3 weeks.

Dominican Republic

Group Comments on Cuba's Offer To Build School
FL1901173089 Santo Domingo Tele-Radio Noticias
Television and Radio Network in Spanish 0900 GMT
19 Jan 89

[Text] The Cuban Government's offer to build a polytechnic school in Bani does not affect national sovereignty. This was promised by the Friends of Cuba Dominican Committee. Members of the organization asserted that President Fidel Castro does not intend to have an influence in the country. The Dominican Friends of Cuba denied that the Cuban Government intends to have Cuban construction workers build the technical education center. The group said enemies of progress are trying to confuse public opinion.

Haiti

President of Court of Cassation Dies
FL1901140489 Port-au-Prince Radio Soleil Network
in Creole 1200 GMT 18 Jan 89

[Text] The government has announced the death of lawyer Pierre L. Jeannot, the president of Haiti's Court of Cassation [under the Haitian Constitution of 1987, should there be a vacancy for any reason in the Presidency, the vacancy is to be filled by the president of the Court of Cassation].

A notice from the Justice Ministry says that Mr Jeannot died on Tuesday, 17 January. The government says it salutes the memory of this great jurist, who became the second most important figure in the government after spending his entire life in the service of justice. The government extends its condolences to the family.

Drivers Union Planning 23 Jan Strike
FL1901141989 Port-au-Prince Radio Soleil Network
in Creole 1200 GMT 18 Jan 89

[Excerpts] Despite the joint communique from three ministers of the military government of General Prosper Avril—justice, social affairs, and interior and national defense—declaring the strike called for by the CATH [Autonomous Organization of Haitian Workers] illegal, the strike was pretty much a success in Haiti. Although it was only partially observed in the capital, it was broadly adhered to in the provinces. [passage omitted]

In Cap Haitien, where there had already been a demonstration Monday, the strike was almost 100 percent observed, despite—it is pointed out—the government's decision to take back, as they term it, a communique dated 10 January.

The Ministries of Economy and Finance, Commerce and Industry, and Interior and National Defense announced that since the port of Cap Haitien is well-structured, it may receive cars and mechanical equipment. [passage omitted]

It is thus pointed out that despite the fact that the communique in question was taken back, the strike was a complete success in Cap Haitien.

The same thing was noted in Gonaives, the cradle of independence, where the population is seriously protesting the toxic waste that the "Khian Sea" dumped on the Sedren wharf in 1987. Thus, the population of Gonaives totally adhered to the strike yesterday. [passage omitted]

According to our correspondent, activity was at a slow-down in Les Cayes. The same thing was noted in the Miragoane area (?and in Petite Trou de) Nippes. The strike was adhered to in Fort Liberte and in all the towns of the northeast.

The strike was also observed in Cabaret, and we have also learned that the Cabaret drivers union is preparing to launch a warning strike on 23 January to protest the problem of the roads in the area.

The strike was partially observed in Hinche as well as in Leogane, according to our correspondents. [passage omitted]

Our correspondent informs us that the strike was not observed on La Gonave Island as it was in the other provinces. [passage omitted]

ANOP Denounces Arrest of Affiliate Members

FL1901144389 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 18 Jan 89

[Text] The whereabouts of two young people from a Cite Soleil confederation affiliated with ANOP [National Alliance of People's Organizations] have been unknown since the day before yesterday. They are believed to be imprisoned in the Dessalines Barracks, an ANOP member said yesterday evening.

The ANOP member said that (Vesner Jean-Francois) and Roland Pierre, the two members of the ANOP-affiliated confederation of Cite Soleil who reportedly disappeared the night before last, are reportedly locked up in the Dessalines Barracks. These two young men were [arrested] in the Brooklyn section of Cite Soleil, where they were motivating the population within the framework of a movement of general mobilization that the ANOP is planning to carry out next week. Let's listen to this ANOP member's statement:

[Begin ANOP member recording] We of the Port-au-Prince unit of ANOP remind listeners of, and again alert national and international public opinion to, the arrest of two of our members, two members of the KASS—the

Coordinating Body of Associations of Cite Soleil—who were arrested yesterday in Cite Soleil as they were mobilizing against the high cost of living and a comeback by the macoutes.

The last we heard, these two KASS members, (Vesner Jean-Francois) and Roland Pierre, were at the Dessalines Barracks. Someone told us this. The person told us both of them were sitting in the guardhouse at around 1000. The person saw them with his own eyes.

However, in the latest statement by a Dessalines Barracks officer to Radio Haiti-Inter, this officer said this was not true. He said there were no such people at the Dessalines Barracks.

We are alerting the population again because we know what kind of crooked wheeling and dealing [manigans] these men might effect with these two members of ours, with these two KASS members, whom they arrested for distributing a little leaflet that said only what we are going to read for you. The two KASS members were distributing this leaflet and were mobilizing against the comeback of the macoutes and the high cost of living. The leaflet says: Haitian people, rise up [leve kanpe]! The macoutes have overrun [anvai] us. The cost of living is rising. Hunger is doing us in. The death train has started up again. Let's continue to organize to block the path to Avril and the other macoutes.

That is what they were distributing, and this clearly shows how a government that goes around trumpeting democracy all day long is still to this day not ready to respect human rights and the people's right to organize and mobilize on matters that they consider essential.

We are asking for the solidarity of the entire Haitian people and all the popular organizations with (Vesner Jean-Francois) and Roland Pierre at this difficult cross-roads, where the enemies of democracy are trying to (?rape democracy) in Haiti. [end recording]

Neighborhood Committee Officials Arrested

FL1801014689 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 17 Jan 89

[Text] The police have invited (Max Montreuil) and (Georges Angrand), who are responsible for the neighborhood committees in Cap Haitien, to go to the police station. The document to this effect does not specify why.

Also, a communique from the military general headquarters for the north says that they are going to take special measures today, Tuesday, 17 January, to ensure public order and the security of all. Commerce can count on the help of the police forces, which will rise up against any pressuring of commerce, as per Articles 250, 251, and 252 of the Penal Code. The communique is signed by (Claret Occil), departmental commander.

The colonel told the men arrested, (Max Montreuil) and (Georges Angrand), that he had learned that it was they who had been distributing money to get people to demonstrate in Cap Haitien.

Citizens Adopt 'Own Protection' From Crime
*FL1901180289 Port-au-Prince Radio Nationale
in Creole 1400 GMT 18 Jan 89*

[Text] In several neighborhoods in the vicinity of Saint Gerard [Church] and Carrefour Feuilles, and especially on Rue Edmond Paul and Rue Fouchard, sleeping at night has become a real problem because thieves and murderers are seriously panicking these areas. There have been more than 10 criminal acts committed in this area over the last few weeks.

Several young people have been beaten on the corner where Saint Gerard Church is located. On Rue Edmond Paul, several vehicles were stolen during a power failure, and many houses have been robbed on Rue Fouchard. Area residents are visited by thieves almost every night.

In view of this situation, several young people from Rue Fouchard have decided to provide their own protection. Thus it is very important for Electricite d'Haiti [the national electric company] to seek a way to change the hours for rationing in the area—because most of these criminal acts take place in the darkness.

It would also be a good idea for the police to patrol these areas, so residents could breathe easier.

Tripartite Labor Committee Established
*FL1901135589 Port-au-Prince Radio Soleil Network
in Creole 1200 GMT 18 Jan 89*

[Text] The government announces that it has just formed a tripartite committee for consultation and mediation. This is the name of this committee. The committee's principal mission is to encourage a spirit of solidarity, as well as consultation and collaboration between employers, the public powers, and workers, so that peace can be maintained in the society and work conflicts can be resolved without there having to be a lot of disorder.

This tripartite committee is made up of nine members: three representatives of workers organizations, three representatives of the government, and three representatives of employers organizations.

The government decree to this effect says that the president and members of this tripartite committee will be appointed by the executive, having been chosen from a list of names submitted to it by all the organizations concerned. The organizations are to submit to the government a list of names of people they would like to see on this committee.

They also plan to have the director of labor be the chairman of this committee, and for the committee's decisions to be reached by consensus.

The Information Ministry communique says that this decision by the executive stems from a desire to encourage understanding among the different parties concerned, so that there will be good relations between the three parties—that is, the government, the employers, and the workers—so that economic progress, an improvement in working conditions, and increased production can be ensured.

Lottery Officials Replaced, 'Cheating' Rumored
*FL1901155389 Port-au-Prince Radio Soleil Network
in Creole 1200 GMT 18 Jan 89*

[Text] An Information Ministry communique announces big changes in the Supervisory Committee for Games of Chance [Komisyon Kontrol Jwet Azar]. By a presidential commission dated 16 January 1989, Roger Dejean is appointed president of this committee, Dr (Carl Philippe Puisseau) is appointed secretary general, and Mr Jacquelin Theodore is appointed treasurer.

It seems these changes were made following the many rumors that have been circulating about the games of chance.

It was said that there was cheating—that the lottery number that was to have been drawn in the evening was already known early in the morning.

PUCH Celebrations, Visiting Delegations Noted
*FL1801012389 Port-au-Prince Radio Soleil Network
in Creole 1200 GMT 17 Jan 89*

[Excerpts] During a news conference yesterday, the Unified Party of Haitian Communists [PUCH] announced a series of activities on the occasion of the PUCH's 20th anniversary.

The PUCH will hold a number of activities 18-21 January in celebration of its 20th anniversary. [passage omitted]

The activities will begin on Wednesday 18 January, said PUCH number two man Max Bourjolly. There will be an exhibit of Haitian products from 1100 to 1900 on the Rue Champs de Mars, between the Rue du Centre and the Grand Rue. However, there will be a solemn opening of their activities at 1900 at the auditorium of the National Teachers Training College [Ecole Normale Supérieure].

On Thursday 19 January, at 0900, there will be a news conference by the foreign delegates who will be coming to Haiti to celebrate the PUCH's 20th anniversary. This

news conference will take place at the Holiday Inn [Le Plaza] Hotel. In the evening the foreign delegations will participate in a discussion at the National Teachers Training College.

On Friday 20 January there will be a discussion on the current political situation, and on Saturday 21 January there will be a cultural soiree at the National Theater.

There will be delegates from several foreign countries coming to celebrate the PUCH's 20th anniversary, such as representatives from the Communist Parties of Venezuela and Uruguay. There will be delegates from Martinique and Guadeloupe and a representative of the Nicaraguan Sandinist Front. There are also supposed to be delegates from the Cuban Communist Party. However, the Cubans have been in Panama for the past few days and have as yet not been able to obtain a visa to enter Haiti.

We have learned that the Communist Party of the Soviet Union is also going to send the PUCH a message.

For his part, Rene Theodore talked about the struggle the PUCH has been waging since 19 January 1969, and about the suffering and persecution PUCH members underwent under the Duvalier governments. According to Theodore, they have always participated in the workers struggle and the Communists are committed to proper economic and social development in Haiti.

The commemoration of 18 January has great meaning for the PUCH, which on this occasion wishes to pay homage to all those who fell, all those who were struggling to have freedom and justice blossom in Haiti.

Cuban Delegation To Attend

FL1901190689 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 19 Jan 89

[Excerpts] At (?1400) yesterday afternoon, PUCH, the Unified Party of Haitian Communists, was to inaugurate the series of activities it has planned in celebration of its 20th anniversary. [passage omitted]

One of our reporters yesterday talked to a member of the PUCH Executive Committee, Max Bourjolly, about the activities and about the party in general.

[Begin recording] [Passage omitted] [Reporter] Will the PUCH be receiving foreign delegations on this occasion?

[Bourjolly] [Passage omitted] The Cuban delegation is supposed to come in today [18 January], if everything goes well. The Foreign Ministry announced to us yesterday that the visas were on their way to Panama for the Cuban delegation. There will be Nicaraguan and Panamanian delegations coming in. The Uruguayan delegation will be coming in today, on a Copa flight.

There is also the Dominican delegation, which is already here. It has been here since yesterday. There are two organizations from the Dominican Republic that have come to show their solidarity: the Dominican Communist Party and another, the Dominican Quisqueya Party [Pati Kiskeya Dominiken], which is here. Thus, there are two organizations from the Dominican Republic here, and this is a good thing. It shows the interest of the people of both parts of the island—of the democratic and progressive organizations of both parts of the island—in struggling for the same change on the island. Perhaps one day we will be able to unite. [passage omitted]

Communique Issued on Provincial Port Measures

FL1801183689 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 17 Jan 89

[Text] As a follow-up to the communique issued on 10 January 1989, the Ministries of Economy and Finance, Commerce and Industry, and Interior and National Defense have announced that since the port of Cap Haïtien has the proper equipment and is well-structured, vehicles and mechanical equipment may be unloaded at that port.

Also, they have stated that the measures of presenting permits at provincial ports to import and prior notice of intention to import will be applied beginning 1 February 1989.

Jamaica

Manley on Increased Production, Party Unity

FL1801155589 Kingston Domestic Service in English 1100 GMT 18 Jan 89

[Excerpts] PNP [People's National Party] President Michael Manley, addressing thousands of party supporters last night in (Sandshop) Square, Montego Bay, says when he is elected again as prime minister one of the first things he will do is to meet with all the major private investors, trade unions, and professional organizations to get them working together to increase production in Jamaica. [passage with indistinct portions omitted]

Mr Manley, who spoke for more than an hour, said one of the missions of the PNP is to ensure that certain unity is maintained between both major political parties in eradicating violence and drugs, which are two of the serious cancers affecting society. He also called on the PNP and the JLP [Jamaica Labor Party] supporters to ensure that we have a peaceful election.

Costa Rica

Government Protests Nicaraguan Airspace Violation PA2101015889 San Jose Radio Reloj in Spanish 0109 GMT 21 Jan 89

[Text] Costa Rica has protested against the Nicaraguan regime for violating our airspace. It termed the incident grave and asked the Sandinists to explain the overflight of three camouflaged helicopters.

The Costa Rican Government sent a protest note to the Sandinist regime for the violation of Costa Rican airspace by three EPS helicopters. The report from our border authorities states that at 1650 on 18 January, three helicopters with EPS military camouflage overflew Costa Rican territory 150 meters from the Cuatro Esquinas post in El Cachito. According to the protest note sent by the Costa Rican foreign minister to his Nicaraguan counterpart Miguel D'Escoto, Costa Rican official Javier Masis noticed three soldiers wearing fatigues standing in the doors of the helicopters.

The protest note sent by Foreign Minister Rodrigo Madrigal Nieto states that the three Sandinist helicopters also overflew the Las Delicias police post from east to west. Costa Rica has a list of 14 witnesses—with their identification card numbers—in the EL Cachito area who can testify to the overflights.

For our government these incidents, which have been clearly confirmed, are serious not only because of the nature of the violation, but because representatives of our two governments recently agreed that each country was to inspect its own border area.

Foreign Minister Madrigal Nieto concluded by asking for an explanation of the incident in light of the agreements signed by both countries to inspect the border region.

Nicaraguan Refugees Attacked During Crossing PA2201184189 Panama City ACAN in Spanish 1700 GMT 22 Jan 89

[Text] San Jose, 22 Jan (ACAN - EFE)—Costa Rican Security Ministry sources today reported that 1 man died and 15 are reported missing after approximately 50 Nicaraguans fled to Costa Rica this weekend.

The refugees were detected from Nicaraguan territory while they were swimming or paddling small canoes on the San Juan River late on 20 January, and they were machinegunned from Cerro Las Mercedes, where the Sandinists have a control post.

According to information revealed by Public Security Ministry spokesman Carlos Jimenez, 17-year-old Luis Antonio Lopez Lopez died when he was shot in the stomach while crossing the river.

The efforts exerted by his father, 45-year-old Basilio Lopez Arguello, and several friends—who tried to take him to a medical center in Costa Rica—were useless because the young man died on his way to the hospital.

Fifteen men of the group who were attacked while crossing the river are now reported missing.

Approximately 35 Nicaraguans managed to reach the Costa Rican town of Las Tiricias, where they were welcomed by Rural Police members. The UN High Commissioner for Refugees is expected to take them to a safe place.

Reports received today from another point along the border state that approximately 100 Nicaraguans will soon arrive in the area and request asylum in Costa Rica.

The Public Security Ministry source revealed that Rural Police, Rural Guard, and Intelligence Directorate members were deployed early this morning to observe the arrival of new refugees.

Arias To Keep 89 Foreign Debt Payments Down PA2201164789 San Jose Radio Impacto in Spanish 1830 GMT 21 Jan 89

[Text] Costa Rican President Oscar Arias has warned that Costa Rica will not pay 1 centavo more this year than it paid in 1988 toward its foreign debt.

Last year, the government amortized half of the interest payments due according to the terms of its debt contract with crediting banks. Costa Rica's foreign debt, which is approaching the \$4-billion mark, is considered the largest in the Third World in terms of the country's population, which is 2.8 million, and its economic dimensions.

The president, who today joined the call for a war against inflation made 2 days ago by Vice President Jorge Manuel Dengo, underlined that crediting banks—to which Costa Rica owes approximately \$1.6 billion—should also participate in this effort.

Arias reiterated his government's decision to make 1989 a year of economic improvement. He appealed to all sectors—including labor unions and churches—to help rid Costa Rica of the scourge of inflation. According to Arias, inflation looms greater than drug trafficking, and just as we have in the past united to achieve peace, build homes, and combat drug trafficking, we must now unite and rise above even our political affiliations to wage the war against inflation. This year, Arias added, will be one of considerable political activity because of the February 1990 elections. President Arias reiterated that workers, businessmen, and the government must work together to overcome inflation. He said the time has come for deputies, ministers, deputy ministers, labor unions, and all productive sectors to join efforts to combat the scourge of inflation. He stressed that public spending must be reduced and production increased if inflation is to be eradicated.

To conclude, President Arias reiterated that the government has declared a war on inflation and is determined to struggle against it from every angle, because the government knows that inflation's most serious effects are felt by the poor.

El Salvador

Duarte on 'Importance' of Presidential Summit
PA1901235189 San Salvador Canal Doce Television
in Spanish 0300 GMT 18 Jan 89

[Report by Marco Antonio Guevara]

[Text] President Jose Napoleon Duarte said today that it is still feasible to hold the Central American presidential summit, adding that the fact that some presidents will soon end their terms does not lessen the importance of the summit.

[Begin Duarte recording] I am preparing a letter in which I will propose to the presidents that the technical and foreign ministers meetings be held during the 1st week of February, and that the presidential summit take place during the 2d or 3d week of February. The exact date will be determined by the foreign ministers at a preparatory meeting. If necessary, they will hold a second meeting to make the necessary arrangements for the presidential summit. That is the plan I will propose to the Central American presidents in the next few days. [end recording]

Regarding the increase in violence in recent months, Duarte said his government is determined to guarantee respect for human rights, adding that legal decisions, such as the one that helped Captain Saravia [accused murderer of San Salvador Archbishop Monsignor Oscar Romero], give the impression that impunity prevails.

[Begin Duarte recording] It is true that violence, common crime, and acts of vengeance, hatred, and ill-will have increased. At the same time, death squads have reappeared and the guerrillas continue their actions that result in more deaths throughout the country. I am concerned about this situation, and I am trying to expedite investigations in order to solve as many cases as possible. Unfortunately, some government sectors are not working as diligently as they should, or investigations are not carried out. For example, I regret the Saravia decision, as well as the decision regarding the witness we presented for Saravia's extradition hearing, because Msgr Romero's case was practically solved. After so many years of investigation, a new theory is presented, which means that if investigations take too long, the witnesses will not be credible. This is serious, because it jeopardizes the investigation process. As you all know, we started at square one when we began investigating Msgr Romero's case, and now we have found out who the possible murderers are and [word indistinct]. That is why Saravia is important. [end recording]

Duarte also referred to the second controversy concerning amendment to the Electoral Code. He said the Supreme Court of Justice will decide if the Legislative Assembly acted correctly in publishing the decree or if the Assembly must change its procedures.

Duarte also denied reports that he would be admitted to the Walter Reed Medical Center today for chemotherapy. He said: I am receiving medical treatment at home and I am feeling good.

Duarte toured the new facilities at Rosales Hospital. He said that thanks to the aid received from France, these modern facilities will be opened in a few months.

[Begin Duarte recording] This project will come with the necessary equipment; half of the cost paid by a donation, and the rest through long-term credit. An earthquake study was conducted for this project; it is a metal structure mounted on a concrete base—a flexible structure on a rigid base. [end recording]

For people whose right to health care has been systematically and constantly violated, it is good news to know that the Rosales Hospital in San Salvador will soon be open, benefiting many Salvadoran families.

2 Killed, 4 Wounded by Bombs in San Salvador
PA2001144189 Panama City ACAN in Spanish
1400 GMT 20 Jan 89

[Text] San Salvador, 20 Jan (ACAN-EFE)—It was officially reported that two people were killed and four wounded by a car bomb placed by the guerrillas in San Salvador this morning and by the simultaneous hurling of an explosive at a garrison.

The car bomb exploded at 0620 (1220 GMT) near the Treasury Police garrison, one of the main Salvadoran garrisons.

Aid organizations confirmed that at least one civilian was killed and another two wounded in the explosion. The civilian who was killed was directly in front of the car bomb.

Simultaneously, a bomb exploded inside the Treasury Police installations, killing at least one policeman. The police assume the bomb was launched by a catapult.

It was also reported that two policemen were wounded in this explosion.

The guerrillas have attacked the country's main garrisons, including the Army General Staff, over the past 4 months.

More on Bombs Against Police

PA2001161689 San Salvador Radio Cadena YSU
in Spanish 1400 GMT 20 Jan 89

[Text] Good morning YSU listeners. We are inside the Salvadoran Treasury Police installations from where we are reporting that two car bombs exploded at 0625 today.

Reporters toured the military garrison with Treasury Police Director Colonel Heriberto Hernandez and we confirmed the attack did not cause major property damage except for some broken windows.

According to Col Hernandez two policemen were wounded, two civilians were completely burned and taken to hospitals this morning, four civilians who were standing at a nearby bus stop were also wounded, and two more civilians were wounded by bomb fragments.

Here are Col Heriberto Hernandez' statements on the guerrilla attack:

[Begin recording] [Hernandez] One tries to please the people [words indistinct]. We had closed part of Concepcion Street, but the residents of the area need to use that street. They have to move around to go to the market; tradespeople have to come here, and the closing of the street hinders the nearby market's activity. We take security measures insofar as circumstances allow us to do so.

The rebels placed the car bombs outside the area where the checkpoints are located—outside that area. I do not know if some of you already went to see the [word indistinct] type car bomb.

[Reporter] But that one was placed by one of the checkpoints?

[Hernandez] No. They placed the pick-up truck loaded with eggs approximately 50 meters away from the checkpoint, outside it.

[Reporter] [Question indistinct].

[Hernandez] Two.

[Reporter] [Question indistinct].

[Hernandez] The other one is down there at the [word indistinct].

[Reporter] [Question indistinct].

[Hernandez] No, there is no [word indistinct].

[Reporter] Were there any Treasury policemen wounded?

[Hernandez] There are two wounded policemen. They were wounded by bomb fragments. Those are the only wounded policemen.

[Reporter] What about the two people who were burned?

[Hernandez] They are civilians.

[Reporter] Where were they?

[Hernandez] They were on the street and also there is one dead civilian near the [word indistinct].

[Reporter] Why were those two civilians inside just now?

[Hernandez] Because we were giving them first aid before sending them to the hospital. [end recording]

Those were Col Heriberto Hernandez' statements on this morning's guerrilla attack on the Treasury Police installations.

We repeat. One person was killed by the explosion of a car bomb on the northern side of the Treasury Police Garrison. According to Col Hernandez, the car bombs did not go beyond the military cordon placed around the garrison.

The other car bomb exploded on the southern side of the garrison and according to Col Hernandez, the car was loaded with eggs so apparently civilians could not tell the car had a bomb inside. As a result of this explosion, two civilians were wounded.

ACAN on Bomb Attack Toll

PA2001181189 Panama City ACAN in Spanish
1650 GMT 20 Jan 89

[Text] San Salvador, 20 Jan (ACAN-EFE)—It was officially announced today that one person was killed and six civilians and two soldiers were injured by the explosions of two car bombs placed by the guerrillas this morning at the Treasury Police Garrison in San Salvador.

Through their clandestine radio station, FMLN urban guerrillas claimed responsibility for the explosions. They reported occupying "mobile armored platforms" (car bombs) from which they threw explosives inside that major garrison.

The FMLN claimed it caused "serious damage" to the interior of the garrison with the bombs hurled from the "mobile armored platforms." The car bombs went off at 0620 (1220 GMT) near the Treasury Police, one of this country's major garrisons.

Treasury Police Chief Colonel Hector Heriberto Hernandez said this was a "terrorist" action that harmed civilians, not the garrison. The military chief took newsmen on a tour inside the building and noted the garrison had not suffered any damage, except for broken windows. Hernandez admitted two policemen were injured by shrapnel.

He stressed the attack had not affected the Treasury Police. However, one person was killed and eight were injured. Two of them were burned by the bombs, which, according to the colonel, were placed inside trucks delivering eggs. It was initially reported the bombs inside the garrison had killed one soldier. However, Col Hernandez denied that version.

The Armed Forces' press office also stated that the car bomb explosions damaged at least six civilian residences near the Treasury Police garrison, which is located in San Salvador's heavily populated eastern sector.

In recent months, the FMLN has conducted a broad countrywide offensive against the Army that the rebels claim has been the most important one in recent years. The rebels have attacked El Salvador's major garrison as part of this offensive.

Just days before Christmas, the FMLN place car bombs and threw several explosives inside the building of the Armed Forces' Joint Chiefs of Staff. A few weeks earlier, they had attacked the Air Force and National Guard buildings.

Army spokesmen termed the guerrillas' actions as propagandistic and as seeking to disrupt the March 1989 elections when 2 million Salvadorans will choose the successor to Christian Democratic President Jose Napoleon Duarte.

Msr Rosa Announces New FMLN Proposal
PA2201192989 Panama City ACAN in Spanish
1825 GMT 22 Jan 89

[Text] San Salvador, 22 Jan (ACAN-EFE)—Msr Gregorio Rosa Chavez, auxiliary bishop of San Salvador, today announced that the Salvadoran guerrilla organizations have sent to the government a new political proposal that seeks a solution to the country's armed conflict and that will be publicized in 2 days.

The new proposal was delivered in Mexico City on 20 January to Salvadoran Archbishop Arturo Rivera y Damas, a traditional mediator between the government and the guerrilla organizations. However, the proposal was not revealed by Rosa Chavez, who asserted the full text will be publicized on 24 January.

Rosa Chavez said, "The letter advocates once more the renewal of a private dialogue, which may not be at the highest level, between the Salvadoran Government and the FMLN, at a time when the political branch of the alliance (the FDR) is participating in the electoral process."

Following the traditional Sunday mass at the Metropolitan Cathedral, Rosa Chavez said to the news media he could not give further details on the FMLN's new political proposal, "because this is what we agreed."

The proposal for a political solution to the war could be delivered to the Salvadoran Government in the next few hours, the Salvadoran prelate stated.

Political and diplomatic sources consulted by ACAN-EFE have revealed that the FMLN proposes the renewal of a dialogue process and direct negotiations. This could lead to a postponement of the next presidential elections, scheduled for next March.

Asked about the possibility of postponing the elections to restart the government-guerrilla dialogues, Rosa Chavez categorically replied that "peace is the number one problem."

"In this regard, anything that can contribute to peace is of primary importance; we are willing to review whatever there is to review. We hope the events indicate to us the points to be dealt with in a public discussion or private dialogue," the Catholic prelate said.

Moreover, the clergyman described as "interesting" the dialogue proposal made by Central Electoral Council President Ricardo Perdomo, who proposed to hold talks with the FMLN to guarantee the peaceful development of the presidential elections.

"Anything that can contribute to the success of the elections is positive; in this regard, the initiative is interesting; we do not know if the proposal will become a reality, but the idea is interesting," Rosa Chavez said.

Perdomo proposed on 20 January that Spanish Ambassador Fernando Alvarez de Miranda and Dominican Ambassador Amauro Dargan be the witnesses of a dialogue between the government and the guerrillas that can allow for elections without violence.

The bishop asked the new U.S. President George Bush to have compassion, be humane, and promote peaceful roads in Central America, "to turn that compassion announced in his Presidential inauguration speech into regional peace."

Rosa Chavez categorically condemned the use of "car bombs" by the guerrillas, which he called "violent acts abusively committed on behalf of the people."

For the past 5 months, the FMLN has unleashed a campaign of attacks on important military garrisons in San Salvador and the country's largest cities and against dozens of Army posts by using car bombs.

Guatemala

[Following is the text of President Cerezo's State-of-the-nation address complementing the excerpts which were published in the 17 January Latin America DAILY REPORT]

Cerezo's State-of-the-Nation Address

PA1801202389 Guatemala City Domestic Service
in Spanish 1645 GMT 14 Jan 89

["State-of-the-nation" address by President Vinicio Cerezo at the National Congress in Guatemala City—live]

[Text] Respectable deputies, friends of the people of Guatemala, everyone: Three years ago, I was sworn in as president of the Republic to initiate a new attempt to establish a constitutional democracy in our fatherland. This is a memorable day, because on that 14 January 1986 we made true the hopes of all Guatemalans for many years: to have a president elected by the majority in a process accepted by all. It was the end of a first stage in which the people, Army, political parties, private businessmen, and the international community had actively participated to establish the clear rules of the game: approve a constitution and hold elections. The elections were so massive and free that everyone was surprised, particularly the observers from various countries who never thought we Guatemalans could act, behave, and respect each other so much in such a legal, peaceful, and stable manner. But, we did it, and we did it successfully.

Those elections showed that intolerance and fratricidal confrontations are not part of our cultural heritage or our uniqueness, but rather that the irresponsible action by the minorities of various ideological groups led us to the tragic situation we were experiencing prior to 1986. During the last 3 years, we have not stopped surprising the world or ourselves. In fact, nobody doubted that the young democratic government had a very difficult task ahead and obstacles that seemed impossible to overcome.

When your current president and friend—at your service—delivered his inaugural speech, some of the goals and tasks ahead were defined. We had to put our home in order and get the nation going. That phrase, easy to say, stood for many things we had to achieve. In the political field, it stood for consolidating and increasing the opportunities that had arisen with the elections, ending political repression, and organizing the institutions established by the constitution. That phrase also stood for respecting human rights and allowing citizens greater participation in economic, social, and political decisions.

Three years later, we can say we have achieved some of those goals. We are better off today than we were before. Free from any restrictions, we are exercising our right to participation, organization, and freedom of the press—all of which are basic rights for consolidating a democratic system. In the economic aspect, we had to halt the decline of the economy, unlimited [illegal] enrichment, and devaluation of the quetzal. We had to put our economy in order by stabilizing it, reducing inflation, handling and renegotiating the foreign debt, recovering the trust of the international financing organizations, and reorganizing the state's financial structure. We had to establish the bases for an economic reactivation that

would promote continuous growth, capable of paying the nation's social debt with the less privileged sectors in an orderly manner, without politically destabilizing us. We have also achieved that task successfully. We are now better off than we were before, and we are an example to other nations of the world of a rapid economic recovery. We have some pending things to do.

We have all worked successfully on those tasks. We should feel proud of the results obtained so far. We had to reorganize Guatemala's institutional aspect—giving each institution its corresponding role. The president and the government have to coordinate the nation's efforts and direct it where it should go at a time when there seems to be confusion. The Guatemalan Army has to achieve the security and stability we need. Private businessmen must have the audacity and trust to carry out a new effort for economic development, and the workers and people must participate with their work, criticism, ideas, sacrifice, and confidence in building the destiny of our fatherland.

This has represented a tremendous effort and confidence in ourselves to surpass the previous divisions and eliminate the old fears of the abuses of power and the privileges of the past—an attitude of patience in the face of criticism and protests, in the face of overflowing passions that had been held back for many years, in exercising many freedoms we were not used to enjoying.

In the last 3 years, problems, conflicts, and confrontations that would not have been solved in the past were solved. In addition, we increasingly found adequate ways to reach various agreements and solutions.

A new agreement appeared at each attempt to forge a social agreement or to promote dialogue to strengthen the trust in people's participation. We could say there is still a lot to learn about this way of solving problems. We could say there are many things to be organized and many agreements to be reached. No one, however, can deny that things have improved in Guatemala. No one can deny that there have been verbal but not physical confrontations, that we have always respected the people's right to disagree, and that we have exercised power within the limits of what is suitable and in accordance with the law.

Three years ago, we had to overcome international isolation and show the international community that we are a trustworthy country, which hopes to build a society fit for all human beings. We want to show we are a country that intends to play an important role in the construction of international solidarity and that we objectively understand we cannot be an island of democracy, peace, and stability within a region in conflict.

After 3 years, we can assert that we have succeeded. We did more than overcome international isolation. We are trying to participate in the search for peace and stability in the region and the world through bold, new ideas,

which are helping Guatemala, our homeland, to play a prominent role in support of international coexistence. No one can deny that in the last 3 years, there has been a drastic change in Guatemala in that field.

At one point, we said we had to solve some of the Guatemalan society's traditional social problems and that we had to allow and promote the participation of all groups in government decisions. We said we would increase public services among the needy sectors and that we would create public services in those areas where they never existed. We promised we would build roads, waterworks, health centers, and schools. We promised to create adequate conditions so all Guatemalans have equal opportunities. We also made improvements in that field.

We eradicated government repression. There are more labor unions, credit unions, and associations now than during the last 30 years of Guatemalan history.

We have reduced the unemployment rate, and although some could say we have made little progress in that area, no one can say we are not better off than before. The frequent demonstrations and labor strikes, the press criticism of the government, and the many reports [not further identified] are nothing but indications that we live in an atmosphere of more freedom, tranquillity, and security.

We also said that a task like the one we set for ourselves cannot be carried out without reorganizing the state's political and administrative structures. We had to set the basis for turning the government into an efficient machine at the service of the country's vital interests. That was an essential requirement to accomplish our goals.

The struggle against corruption, the creation of mechanisms of interinstitutional coordination, the maximum use of resources, the motivation of public employees through the improvement of their economic conditions, and job stability have been some of our goals.

The brief analysis of the proposed goals and the results we have already obtained allow us to assert that we made improvements. We can be sure the nation is walking along the right path and that the measures we adopted—although hard sometimes—are having positive results in promoting the establishment of better conditions in Guatemala.

Economic figures are increasingly improving. Each day a worker, a carpenter, a peasant, or a teacher gets a job he did not have in the past. Business and production activities are increasing. There are increasingly more businessmen. The state works more efficiently and provides public services to more communities. Although we must humbly admit that we have not completed our task and that there is still a long way to go, we can gladly say we are succeeding and that all Guatemalans are beginning to participate in a national movement to promote social and economic development.

Nothing gets done without sacrifices. Until now, each of us has paid the price for the task we are accomplishing. As the president of the country, I can assure you we left behind the most difficult part of our work and that the rest of the work—if we act patriotically, with love for our brothers, and with a spirit of cooperation—will be easy to accomplish.

1988 was a difficult year, but filled with satisfactions. As the Guatemalan president I would tell you, deputies and Guatemalan people in general, that 1988 was perhaps the crucial year for this first period of democracy. In 1988, we consolidated a tax reform that created much discussion in the country, and we adopted the most difficult economic measures ever, such as the foreign exchange unification, which caused a temporary increase in inflation. In 1988, we also experienced the most serious destabilization attempts we have ever experienced.

During the second half of last year, especially during the last 2 months, we restored political stability and found new methods for dialogue. Inflation dropped considerably and returned to its usual levels and the gross domestic product grew beyond expectations.

Private investment increased to satisfactory levels, particularly in the construction sector. The stability of the quetzal was maintained. The export of nontraditional products increased. Credit was democratized through the use of small- and medium-sized businessmen and members of cooperatives. Agreements were reached with international institutions and legal transactions were concluded to build and renew a communications structure that is essential for the adequate and sustained development of the country's economy.

The climate in the month of December was one of optimism, happiness, and participation—a proper climate for a developing country. Although the details on each of the above statements can be found specifically in the report accompanying this presentation, I would like to point out several facts that I consider especially relevant. Some of them are relevant in their magnitude while others are relevant in regard to quality. But on the whole, they demonstrate that Guatemala has succeeded in forging ahead. Let me mention them.

The small businessmen program: This program's main objective is to promote the independent participation of Guatemalans in economic development, and is aimed at creating a fund designed to promote the creation of small and medium businesses to provide the small businessmen a stable economic income, starting with his own initiative, in which he and his family or persons close to him can engage. The program is based on one principle—it grants citizens the independence to solve their own problems. It seeks to provide opportunities so people can improve themselves. The government believes that in a democratic, pluralist, participatory society, the state can promote several ways to participate in the national wealth.

The promotion of small businesses—to promote investment to create jobs and to stimulate salary improvements, based on equality and on the efficiency of public and private workers—is an especially important program. In 1988, 10 million quetzals in loans were made to 3,083 beneficiaries. This, of course, implies the creation of 3,083 new sources of jobs and a similar, or larger, number of Guatemalan families with secure incomes.

The goal of the program for 1988 was 3,600 credits, and it has been 86-percent satisfactory. As can be seen, although this program is limited at this time, it has had enormous qualitative importance because of the social impact it will have on the urban areas of Guatemala.

The constitutional earmarking of 8 percent—the fulfillment of this constitutional obligation to allocate 8 percent of the government's budget for investment in services and infrastructures of the municipalities—has been one of the government's primary concerns. This is not only because we consider it fundamental to fulfill the requirements of the Constitution, but also because it is part of our philosophy to orient the country's growth and development to improve the living standards of all sectors of the population and to promote the opening of better channels of communication and participation in the country's life and economy. The systematic support of all municipal projects aimed at improving the living standards of all citizens has required a high level of investment to provide jobs and improve the living conditions of our citizens. A total of 282 million quetzals have been given to the existing 330 municipalities to carry out several public utility projects. If we maintain this average, in 10 years we will have invested approximately 1 billion quetzals through the municipalities, directly benefiting Guatemalans in every part of the country. We will have thus changed once and for all the image of our townships and cities.

A fundamental part of our development policy has been to provide services to the interior communities of the country and to begin the creation of an adequate productive infrastructure for the modernization and growth of the national agricultural sector.

Fundamental aspects of our actions have been to improve the living standards of the small and medium farmer, to open roads to permit them to reach the country's markets, to provide them with credit and timely technical assistance, to grant them the necessary facilities to maintain a program of permanent production throughout the year, to supply them with water for irrigation, to facilitate access for producers to reach all national and international markets, to provide them the necessary raw materials to increase the quantity and quality of their production. We have worked in this direction, seeking to create and improve opportunities for inhabitants of interior communities so that those who have can produce more and those who have nothing can obtain jobs or lands to work them and make them produce.

I want to mention some of the things that have been done that are especially relevant, although apparently small in size. The positive results achieved and the number of families who will benefit from the jobs created cannot be determined yet. The goal is to change the practice of doing big things, giving a lot but benefiting only a few, to doing hundreds of little things to benefit many. The most interesting examples: We promoted the participation of the families and farming communities by providing technical assistance to small and medium producers, permitting them to carry out educational programs and irrigation infrastructure projects, vegetable sanitation, and similar services. Some 1,394 agricultural clubs and 1,965 farmers associations were formed. A total of 11,633 agricultural projects and 4,312 family improvement projects were carried out. More than 52,000 families benefited from the Guatemalan-German Food for Work Program. More than 145,000 quintals of fertilizer were marketed with the support and supervision of the Italian Government.

We built 19,000 [word indistinct], more than 120 dams, and we gave attention to irrigation projects. We developed 43 mini-irrigation projects, we installed 17 centers to develop 49 farm crops and 130 fish hatcheries, and we established more than 30 farm stores to allow small producers to obtain their basic tools at a reasonable cost.

To meet part of the large demand for land, support was given to agrarian projects in San Carlos, Malaga, Suchitepequez, Valle Lirio in Retalhuleo, El Mas Alla in San Martin Sacatepequez, Quezaltenango, Don Triano and Sochimil in San Pedro Yepocapa, Chimaltenango, Sajcavilla in San Pedro Carcha, Alta Verapaz, El Coyol in Retalhuleo, San Basilio in Rio Bravo, Suchitepequez, and Lucerna in Escuintla. Also, thousands of land titles were handed out.

On the subject of loans, more than 14,000 loans totaling more than 30 million quetzals were specifically granted for agriculture. The agricultural sector is in charge of supplying, packaging, and distributing more than half a million quintals of basic grains. More than 300 stores were opened and the cost of consumer farm products was offset by holding 450 farming fairs in the country. There are many other examples of similar infrastructure projects. We built more than 1,000 km of highways, at least one school a day, and more than 100 health centers; we provided potable water to more than 160 communities; we installed 32 telephone exchanges in several departments; and we obtained technical and financial assistance to house more than 17,000 families.

All of these costs exceed those spent in the past. Details of this are contained in the document I am giving you today. The important thing is the objective and the philosophy behind each and every one of the projects. The important thing is that each Guatemalan feels that he is part of the nation.

Our international policy is based on the belief that Guatemala cannot be an island of peace, democracy, and stability in a conflictive region. For this reason, we have developed a foreign policy that has three main objectives: To create rules for peaceful coexistence with our neighbors; to establish the permanent and institutional mechanisms required for the pursuit of dialogue and peace; to create a willingness in the international community to give us economic aid to boost development that is geared toward our interests and needs.

During the past three years, and in accordance with our foreign policy, we have promoted the following concepts: the Esquipulas II plan that was later broadened and developed by the Arias plan; our proposal for the Central American parliament; and our contribution to the UN's and EEC's Economic Assistance Plan.

We are happy to report that these concepts have advanced a great deal during 1988, especially the Central American parliament plan, which has already been approved by four countries. The Costa Rican Legislative Assembly is expected to approve the plan early in 1989. The concept of a Central American parliament has been enthusiastically supported by the EEC and the European Parliament. They decided to give a substantial contribution for the elections required to set up the system and for the construction of the Central American parliament building; a building that will be called Villa Esquipulas.

We hope that at the forthcoming meeting of the regional presidents we can agree on concrete steps to further our search for peace, to establish an economic assistance program that will contribute to regional development, and to initiate a new Central American market with a broader perspective that will promote increased social and political integration. All these are steps that will bring us closer to attaining a dream—a dream of making Central America a great community that serves the interests of Central Americans.

As part of our good-neighbor policy, we have been strengthening our relations with Mexico, our northern neighbor, and getting closer to Belize. These actions have been based on the new concept of peace, because we want to have good relations with persons living in other communities.

The international community's response to our actions has been positive, supportive, and concrete. We have received much economic support from friendly governments, especially from the FRG, Italy, the United States, Mexico, Venezuela, Japan, Spain, the Republic of China, the Republic of Korea, Belgium, and Peru, to mention a few.

I want to state here, to all those who have supported the Guatemalan democratic process with faith and certainty, that you can feel satisfied with the results that have been obtained. Your assistance has reached the communities and has helped in stabilizing the economy, allowing us to attain peace.

It is also noteworthy that the international community's confidence has helped Guatemala become a center of international conventions of all kinds—political, technical, tourist, and business events. These conventions have reflected abroad a spirit of tranquillity, openness, and optimism that prevails now among Guatemalans. This has served to attract hundreds of thousands of tourists, who have made tourism once again one of the three largest mainstays of our country's economy. Tourism generated more than \$120 million for the Guatemalan nation. For this reason, we can be proud of our foreign policy, of our natural beauties, and the spirit that we project to those who visit us. Sometimes, our insistent criticism of those who only want to talk about our problems instead of our achievements is based on the fact that a good image of Guatemala, without hiding our problems—which cannot and should not be concealed—serves the best interests of this nation.

We have waged a war against inflation. To speak of reducing inflation seems to be contradictory when, as our critics say, prices are progressively increasing or fluctuating. The Guatemalan people and you, gentlemen deputies, who surely understand this problem, know that inflation is an unavoidable and worldwide phenomenon. Prices tend to increase and the success of any government depends on its ability to decrease the speed at which these increases occur. It is important that I give you an example:

If a country experiences 1000-percent inflation, it means a product that in late December 1988 cost 100 quetzals would now cost 1,000 quetzals; if a product cost you 1 quetzal it would now cost you 100 quetzals. This is a difficult problem to control, and it definitely affects the people. However, if we speak of 10-percent inflation, this means that something that cost 1 quetzal in December would now cost 1.10 quetzals, and that something that cost 100 quetzals would cost 110 quetzals. There is an enormous difference here. And even though this is a very simplistic manner of explaining the meaning of inflation, we can say that our government can feel very proud at having prevented inflation from increasing at an uncontrollable rate and at maintaining a slow rate of increase. This directly helps the people. We can assure you that we are better off today.

In 1985, inflation was as high as 40 percent; now it has decreased to 10 percent. In spite of this, we admit there are some sectors of the population that have been more adversely affected by inflation. It is a cost we have had to pay because of the process of economic reorganization and because income has not increased at the same rate [as inflation].

That is why in 1988 we promoted a series of specific measures aimed at reducing the impact of inflation on middle- and lower-income families. Many of these measures are the result of dialogues and meetings with

various sectors. The measures are the product of a firm government attitude. In any case, we hope the measures adopted in 1988 will bring about real results in 1989.

Among these measures we can mention agricultural fairs, low-income retail stores, government drug stores, low-cost school supplies, and the supplying of farming tools and equipment at fair and reasonable prices that can keep agriculture costs down.

It is important to note that the experience of 1988 shows the struggle against inflation and the high cost of living must be backed by an appropriate economic stabilization policy, necessary conditions for an increase in the production of goods and services, a flexible salary policy, and an agreement between consumers, producers, and the government.

The integration of El Peten Department is something that worries us. Therefore, we are waging a battle to integrate the area into the nation's development plans. The integration of El Peten, following the same plan being promoted throughout the country—administrative decentralization and deconcentration—has been one of our most important decisions. The government is set on drafting an administrative plan that will integrate the government ministries in the operation and development of El Peten, the sale of all (CIRP) [expansion unknown] passive assets and transfer of these funds to the public sector, and strengthen and consolidate the Rural and Urban Development Regional Council in El Peten Department. In this regard, in 1988 we appointed a commission responsible for the sale of all (CIRP) assets and other multi-sectorial commissions responsible for the development of short-, medium-, and long-term actions, such as the drafting of the El Peten integration plan, the appointment of the technical commission responsible for the drafting of the strategies for sustained development, and the drafting of a master development plan.

Likewise, the general secretariat of the National Economic Planning Council has signed a cooperation agreement with the FRG that includes the construction of the Modesto Mendez asphalt highway to Santa Elena and [words indistinct], conservation of the environment, conservation of the tropical jungle, protection of our cultural heritage in the area, and strengthening of the regional planning system in that Department. The development of the Maya Route is also included in this integration plan. The Maya Route is a tourist promotion plan aimed especially at the protection and conservation of the environment and cultural heritage in El Peten Department.

The plan brings to life the area where one of the most important cultures of (our) America was once present and will promote social and economic development in the area. It will help bring foreign exchange to the country, create jobs, and promote a diversification of the regional economy. Mexico, El Salvador, Guatemala, Honduras, and Belize will participate in this plan. An ad

hoc commission responsible for the drafting and implementation of the plan has been appointed. This ad hoc commission will have its headquarters at the Guatemalan Tourist Institute.

The Maya Route National Commission has also been appointed. This commission will be responsible for advising the Executive Branch, through the Culture and Sports Ministry, on matters such as restoration, location, conservation, and evaluation of the archeological sites located along the Maya Route.

As a result of a technical-assistance agreement for the promotion of tourism ratified on 3 June 1988, Guatemala and the EEC reached an agreement for the overall financing of the tourism-development project, which includes the Maya Route plan.

In matters of economic policy, we have had to make many difficult decisions to stabilize the country's economy. The people had to pay their share during a temporary increase in inflation, as we have already mentioned, but this sacrifice will be rewarded by economic stability, the effects of which are more important for the population. They are a decline in unemployment of more than 7 percent, an increase in the wage scales because of competition for labor in the private sector, an increase in the public sector wage scale, a decrease of inflation in late 1988, and a general increase in the production of goods and services, which means an increase in the country's wealth and greater opportunities for all sectors of the Guatemalan population. This was seen in December and it can be proven in a series of statistics that clearly show the growth of our economy.

I wish to stress the fact that the country's GNP grew by more than 3.5 percent, which definitely makes us one of the two Latin American countries with a positive growth rate because our production exceeded the annual growth rate of the Guatemalan population. Each economic indicator we have reviewed has shown that we are expanding our production capacity, our consumption, and, in absolute terms, the size of our economy. At least three new banks and financial institutions have been set up in our country. Five new banks have requested authorization to operate in the country. The population increased its consumption capacity by 4 percent—in 1987 it only increased by 2.8 percent. Investment levels increased by 12.3 percent and we are pleased to state that private investment alone exceeded 2 billion quetzals. The public sector invested a reasonable 600 million quetzals. It is important to note the increase in production has become evident in the private construction sector, but absolute figures show improvement in the production of basic grains, traditional exports, and especially in the growth of nontraditional exports, which exceeded \$169 million in net benefits for our balance of payments.

We must point out that UNESCO and the OAS have become interested in the project and they have offered to help in its promotion, protection, development, and financing.

In the social sector, there are many things that can be mentioned, especially in the areas of health and education and the participation of communities in their own development. Large amounts of statistical data may be found in open records [memoria ampliada], but I prefer to point out some of the things which I consider relevant and which brought about specific, philosophical changes, as I said, in the social sector.

In this regard, the government has taken steps to prepare the nation to initiate the eradication of some of our chronic illnesses. The master plans which we have implemented in the health sector, with the help of international institutions, lead us to believe that a 50-percent reduction of the child mortality rate in 1989 is something reasonable.

The fact that more than 180,000 people learned how to read and write in 1988, thanks to the cooperation of private sector volunteers, leads us to believe that only 20 percent of the population will remain illiterate by the end of this administration.

The student nutrition program, which is the product of a large organizational effort at the Education Ministry, allowed us to help 1,175,000 children a day in 1988. This achievement, which could be improved in 1989 with the cooperation of the teachers' sector and of other sectors of the population, will help reduce the levels of malnutrition in children from families that have not yet been touched by the benefits produced by economic growth.

The implementation of programs such as those that benefit widows and orphans and efforts by the National Reconstruction Committee will help many people who have been the victims of violence renew their trust in the democratic process.

Laws such as the one increasing retirement benefits and reclassifying state employees, which was approved by Congress in 1988, will surely make public employees feel more secure in their jobs and, of course, will improve their spirit of public service.

The most important aspect of these programs is that they have been the result of joint efforts by state institutions, organized groups, the private sector and [words indistinct]. This, of course, strengthens the feeling that we are all part of this nation.

This is why I can tell you that based on all indicators, on statistics from the Economic Commission for Latin America, the National Statistics Institute, the Guatemalan Social Security Institute, and the Bank of Guatemala, the country now has more wealth and it has reached more Guatemalans.

This is why we can state without doubt that the statement that we Guatemalans are poorer every day is false. This is a statement commonly made by poorly informed politicians. True indicators allow us to say that every hour of every day a new Guatemalan family secures a better standard of living.

I have to say that we still have some problems to be resolved. For example, our trade balance still shows deficits. We have to export more to be able to live better. We are on the right road.

Undoubtedly, our growth has been the result of the natural strength of Guatemala and of Guatemalans. It is also the result of the stability that our economic measures have produced. It is a source of great satisfaction for me to state that this year we can grow better and more rapidly, that we can enhance everybody's chances for improvement, and that we can benefit more families as we improve our ability to cooperate, avoid useless confrontations and distrust, and, as we participate in the process, think not of the interests of a few but of everybody. We are prepared to do our part.

It is good to point out that we have adequately improved the state's efficiency as administrator of national resources. We have increased state revenues through a better, more honest, and more adequate tax-collection system. This has allowed us to keep our deficit within reasonable levels, to pay our domestic debt, to hold down the issuance of currency, to increase savings, and to use our domestic credits within the limits established by the Bank of Guatemala and the law.

This has been our contribution to the stability policy. We have thus complied with our commitment to the national and international community.

We have taken specific steps to establish a democratic system of [words indistinct] for all the sectors of the population. We organized the National Development Council, 8 regional councils, 20 departmental councils, and 330 municipal councils. I will state that this achievement represents one of the most serious and most important steps adopted within the framework of the institutional reforms being carried out to guarantee democracy in the nation. I hope history will prove me right.

We made serious efforts to better coordinate governmental work. To do this we created commissions composed of managers and of people from various sectors to handle specific problems in specific places. These commissions handled the problems in [name indistinct] and took care of moving the people from the town of El Palmar.

We have taken initial steps toward an adequate and correct decentralization and regionalization of the public administration. This task, of course, will not be completed now. It will take many years. However, we had the responsibility

of setting the bases for making the Guatemalan public administration responsive to the development programs and general interests of the Guatemalan people.

We have had to firmly face some specific problems such as administrative corruption. This is a problem that exists at some bureaucratic levels. To fight it, we created the Administrative Control Department of the Presidency, which has made great progress in the struggle against an illness that can destroy the public service system.

The success of the Administrative Control Department has been due to the willingness of high-level officials to clarify and to defeat any charges against them. It has also been due to initiatives by the National Congress, which has correctly demanded explanations of and investigations into certain public matters. It has also been due to the Guatemalan people, who have been contributing to the fight against this illness by filing accusations, and to the many public employees who want to live honestly and with dignity as loyal servants of the state and the nation.

We have achieved significant progress, especially in 1988, in all aspects pertaining to the institutionalization process of protecting rights established by the Constitution and the law.

However, we must admit that tragic criminal actions involving political extremist groups as well as groups operating outside the law shook the public throughout the year. All institutions and people concerned about human rights have agreed that repression and violence, as a form of governmental political expression, definitely disappeared from Guatemala. Nevertheless, they constantly pointed out to us that we must improve our control over those criminal groups, which are not related to the government, that are threatening the people's security and making them uneasy.

With this goal in mind, we established the Civil Protection System, SIPROCI, to implement, through the coordination and direct supervision of the president of the Republic, a number of measures allowing us to control all forms of crime. The system started to bear fruit late last year. There were a great number of specific successes, including the arrest of criminals, prevention of thefts in urban areas, and the curbing of drug trafficking.

We are sure that SIPROCI has satisfied many of the citizens' security demands, although in implementing measures we had to apologize for a number of mistakes in the interpretation of judicial procedures and the law. This forced us to slow the pace of the programs we had already approved.

We must try to coordinate efforts with judicial bodies to ensure that measures we approve in the future have the trust, support, and appropriate monitoring that an independent judicial organization, which is another achievement of our democracy, must have over the government's coercive measures to prevent any kind of abuses—to ensure that the protection of a right will not lead to the violation of another right.

We worked hard to create appropriate administrative instruments to allow us to handle reports of lost and missing people in the future, answer the questions that international human rights institutions might pose, and handle arrests and charges through the National Police to allow justice tribunals to fulfill their duties.

We are particularly interested in preventing crime and not only in persecuting criminals. This is why we made great efforts to complete [2-second break in reception] bearing and possession of weapons allowing us to decrease incidents of the illegal bearing of weapons, decrease incidents of failure to register them, establish ballistic files, and facilitate the authorization of permits allowing honest citizens to defend themselves should they need to.

This bill will be presented to Congress this month. Our purpose, as noted in a report of a multidisciplinary commission that worked on this project, which was one of SIPROCI's tasks in 1988, is to eliminate those groups of people who illegally have weapons and step up the state's ability to ensure the legal and appropriate use of weapons.

Therefore, 1988 was the year for the creation of the infrastructure needed to increase our ability to appropriately protect citizens. I want to note the efforts made by the national commission for refugees and the presidential advisory commission on human rights to continue integrating into our democratic society the thousands of people who have been left out in the country and abroad.

I wish to say a few words about the future: To admit that we are better off now does not imply that we are satisfied. We must accept our responsibility for some mistakes because of hasty decisions and difficulties in coordinating efforts that have been encountered on some occasions during the past 3 years.

However, we have not been heading the government for nothing. In pointing out with enthusiasm that to a great extent the nation has been successful under our political leadership, with profound sincerity we recognize the popular and business segments and the Guatemalan people at large for their unselfish dedication to the democratic consolidation project that involves us all.

As president of the nation, I feel proud to proclaim before all world nations that Guatemala's success belongs to all Guatemalans. In 1989, we will strive to reach accords, consultations and coordination, and the participation of all sectors. We expect all segments of our society to continue or strengthen their commitment, tolerance, and determination to work together in a task that involves us all—the building of a society based on well-being and justice for future generations.

We will present proposals. We will implement ideas and programs for the year 2000 to ensure that the new century greets Guatemala as a nation in full development, fully integrated socially and politically, and with a stronger spirit to help attain world peace and solidarity. Thank you very much. [applause]

Border Troops Deployed Due to Salvadoran Rebels
PA2001030089 Panama City ACAN in Spanish
0200 GMT 20 Jan 89

[Text] Guatemala City, 19 Jan (ACAN-EFE)—Some 1,000 Guatemalan Army troops were deployed today to the Salvadoran border "in view of the entry into that region of Salvadoran guerrillas, who are intimidating Guatemalan peasants," a military source reported.

Colonel Luis Francisco Riois, commander of the Jutiapa Military Base in southeastern Guatemala, said that 1,000 troops were dispatched to the municipalities of Jerez and Atescatempa "to protect the civilian population" from the Salvadoran rebels.

The inhabitants of southeastern Guatemala told the Army that FMLN rebels have attacked small townships to steal food when they are pursued by the Salvadoran troops.

Atilio Morales, a newsman in Jutiapa province, told ACAN-EFE on the telephone that the Salvadoran rebel groups take temporary refuge in the "Chingo" volcano area in Guatemalan territory when they "are attacked" by the Salvadoran Army.

Col Rios said that the Guatemalan troops under him have not had any contact with the Salvadoran rebels, which with a force of 10,000 men, have conducted an 8-year struggle against the Army to take power in that Central American country.

Nicaragua

Government To Grant Visas to U.S. Diplomats
PA1901192389 Panama City ACAN in Spanish
1850 GMT 19 Jan 89

[Text] Managua, 19 Jan (ACAN-EFE)—A Nicaraguan Government source has told ACAN-EFE today that Nicaragua will "immediately" grant visas to U.S. diplomats once U.S. President-elect George Bush takes office.

According to the source, that would be the Managua government's first signal to try to "normalize" relations with the new Bush administration to be installed tomorrow.

The source did not specify the exact date or the number of visas that will be granted.

The Sandinist government expelled U.S. Ambassador to Managua Richard Melton and seven U.S. diplomats on 11 July 1988, following demonstrations in Nandaime (a city 60 km southeast of Managua) during which more than 40 opposition members were arrested.

The Managua government accused Melton of preparing a plan to destabilize the revolutionary regime, and declared him "persona non grata."

In reply, Washington gave Nicaraguan Ambassador Carlos Tunnerman and a similar number of Nicaraguan diplomats 72 hours to leave the country.

Since then, the United States has sent several requests for visas to replace the expelled diplomats, but has received no reply from Managua.

Foreign Ministry Grants Visas
PA2001221689 Managua Radio Sandino in Spanish
1930 GMT 20 Jan 89

[Excerpts] At the time George Bush was being sworn in as U.S. President, the Nicaraguan Foreign Ministry notified the U.S. Embassy commercial attache in Managua, John Leonard, of the government's unilateral decision to grant the visas requested by the U.S. Department of State for the diplomats who will represent the United States in Nicaragua.

Foreign Minister Miguel D'Escoto said that the decision proves the Nicaraguan Government's goodwill and desire to normalize relations between the two countries. Upon leaving the meeting with Foreign Minister D'Escoto, the U.S. diplomat was approached by the news media. [passage omitted]

Foreign Minister D'Escoto revealed the contents of the communique, which notifies the U.S. Government of the Nicaraguan Government's decision:

[Begin recording] [Reporter] How did the U.S. diplomats react to the announcement about the visas?

[D'Escoto] I believe you had a chance to talk with them. It is undoubtedly a generous decision on the part of Nicaragua, the purpose of which is to allow a normalization of relations. It is a unilateral measure taken by Nicaragua, and we hope that they will understand it as such. We also hope that this will mark the beginning of a new chapter in Nicaraguan-U.S. bilateral relations.

[Reporter] Did they talk about a reciprocal granting of visas?

[D'Escoto] No, they could not do that. You must realize that we summoned them at a time when President Bush was being sworn in. They have just heard what our

president had to say. He summoned them and they came immediately. They have not had time...[changes thought] They have received no instructions from the new government.

[Reporter] Does the decision include the diplomats who were expelled last year?

[D'Escoto] No, the decision is to issue visas for the diplomats who have been listed by the U.S. Department of State, because they will be accredited to Nicaragua. This also means that we have waived the 15-day term specified for the issuance of visas to those foreign diplomats [words indistinct].

[Reporter] [Question indistinct]

[D'Escoto] They have not made any new requests. As I told you, about nine visas have been requested.

[Reporter] [Question indistinct]

[D'Escoto] You know this has been one of the main issues for them. No visas have been issued to the new diplomats since the U.S. ambassador and other officials left. This is a reciprocal measure. It also applies to Nicaraguans [words indistinct].

[Reporter] How do you interpret [words indistinct] happy over the fact that Nicaragua accepted what he described as a U.S. proposal to restore the previous number of officials in both embassies, thus indicating future reciprocity? He said the proposal was made in July or August.

[D'Escoto] Look, they have been saying this is very important for them. We have said that what really counts is to normalize relations between the two countries. The granting of visas would be only one of the problems to be solved to work toward normal relations. Although this is important, it is not the most important thing. What is really important is that the United States and Nicaragua can have relations with mutual respect. Within this framework, we must keep in mind that the United States has been applying an interventionist policy and using force against our people. You know all that such a policy has entailed. It has caused more than 57,000 victims. What we want is to work on this matter earnestly so the situation can be changed. Anyway, it is they who must change their policy, because we are not waging war against the United States. It is true that we have done what they have suggested in the past. Now we have done this unilaterally. Let us see what the U.S. reply will be. In addition, this is not the right time for any negotiations. I can tell you, however, that we are willing to do our best. Ronald Reagan has left the White House and a new President has assumed office. This could be an opportunity to initiate contacts leading to the normalization of relations. [end recording]

Government Denies Costa Rican Accusations
PA2101010089 Managua BARRICADA in Spanish
20 Jan 89 p 2

[Communique issued by the Defense Ministry's Public and Foreign Relations Directorate in Managua on 19 January]

[Text] 1. The public reports in Costa Rica regarding an alleged violation of Costa Rican airspace by three Nicaraguan helicopters in the El Castillo sector are erroneous.

2. On 15 January of this year, two Sandinist Air Force [FAS] helicopters arrived at the Nicaraguan border post of La Penca to evacuate the bodies of comrades who were killed in an ambush at 1120 on the morning of 14 January by a group of counterrevolutionaries that infiltrated Nicaraguan territory from Costa Rica, crossing the border sector of La Penca between El Reloj Island and El Venado hill in the region of Sarapiquí.

The names of the slain comrades are Paulino Hernandez Manzanarez (SMP) [Patriotic Military Service] and Camilo Diaz Espinoza (SMP).

3. On 18 January, three FAS helicopters arrived again at the Nicaraguan border post of La Penca to resupply and relieve our troops.

Issued in the city of Managua, on 19 January 1989.

President Meets With GDR's Chairman Schuerer
PA2101040289 Managua Radio Sandino in Spanish
1200 GMT 20 Jan 89

[Text] Nicaraguan President Daniel Ortega Saavedra met yesterday with Gerhard Schuerer, chairman of the GDR State Planning Commission, who is visiting Nicaragua in response to an official invitation.

Schuerer will stay in Nicaragua for 3 days. During his stay he will visit industrial projects, farming cooperatives, and several factories in Managua. He will also meet with Commander of the Revolution Luis Carrion, economy, industry, and commerce minister.

Foreign Minister Comments on Presidential Summit
PA2101144489 Managua Radio Sandino in Spanish
1225 GMT 21 Jan 89

[News conference with Foreign Minister Miguel D'Escoto with unidentified reporters in Managua on 20 January]

[Text] Nicaraguan Foreign Minister Miguel D'Escoto said yesterday that there are forces trying to frustrate the Central American presidential summit scheduled for 8 and 9 February in El Salvador. After meeting with John Leonard, U.S. Embassy commercial attache in Managua,

D'Escoto said that although those forces are trying to block the summit, Nicaragua is willing to attend the meeting of the five Central American presidents:

[Begin recording] [D'Escoto] Central American presidents have had high-level consultations and have clearly stated that the only dates that the summit could be held are 8 and 9 February. One of the presidents has said very categorically and clearly that if the summit is not held on these dates, he would be unable to reschedule his participation for a later date in February. The other presidents were informed of this and they all agreed on these dates.

Thus, in my capacity as protempore secretary of the Executive Committee, that is of Central American foreign ministers, I have called a meeting of foreign ministers for 6 and 7 February and a technical meeting for 4 and 5 February in Managua. One country has already replied; we have just received Guatemala's assent to this. It has been said that one of the governments is willing to attend but the foreign minister of a third country has to travel. However, I believe that any trip should and must be postponed to facilitate this meeting.

I had scheduled important trips to Europe myself and canceled them all to hold the foreign ministers and technical meetings here in Nicaragua. The other foreign ministers could do the same.

[Reporter] [Question indistinct]

[D'Escoto] You mean besides...[changes thought] No, it is not worth it.

[Reporter] Foreign Minister, has there been any progress on differences over the agenda for the upcoming summit? There was never a consensus.

[D'Escoto] There is a specific agenda for the summit; we established the agenda in Mexico. The first point is to discuss the reply of UN Secretary General Javier Perez de Cuellar to our request that he organize a verification mechanism regarding the nonuse of Central American territories to invade or to destabilize other governments in the region and the elimination of aid for insurrectional groups and rebel movements. [end recording]

Ortega Announces Defense, Interior Budget Cuts
PA1901183789 Panama City ACAN in Spanish
1250 GMT 19 Jan 89

[By Jose Antonio Maillo]

[Text] Managua, 19 Jan (ACAN-EFE)—According to a draft budget presented by President Daniel Ortega to a parliamentary commission, the Managua Government will cut its defense budget for the first time in 10 years of revolution. Today, the commission begins to study the general budget of this Central American nation.

Also for the first time in 10 years, the National Assembly of Nicaragua will discuss the general budget, putting an end to the most carefully guarded secret of the Sandinist regime.

Today, a commission of the Assembly begins to analyze the budget that will be discussed later by the National Assembly plenary from 3 through 7 February.

So far, it is only known that the 1989 budget presented by the president calls for 285,5072 quadrillion cordobas (\$60 million) [figures as received] and that Defense Ministry expenses will be cut by 29 percent of the amount assigned.

Until now, the general budgets of the previous years were not made public, and the Defense Ministry—under the president's brother, Commander Humberto Ortega — took 50 percent of the budget.

The Interior Ministry budget, under the powerful Commander Tomas Borge—the only FSLN founder still alive—will also be cut by 49 percent.

At the same time, the Health, Education, and Justice Ministries will be affected by the imminent state reorganization planned by the government to reduce the public deficit, curb inflation, and repair the chaotic Nicaraguan economy.

In the last 12 months, the inflation rate has reached a record high of 20,000 percent according to Sandinist sources, or 27,000 percent according to the opposition.

Political observers have said that reducing the Defense Ministry budget is an "extreme" step taken by President Ortega to regain control of the Nicaraguan economy.

The economy was severely damaged by Hurricane Joan. According to the Economic Commission for Latin America, the hurricane caused \$800 million worth of damage, 40 percent of the gross domestic product.

Observers also feel that Ortega has "dared" to reduce Borge's budget because the threat of war with the "contras" seems to be over.

In spite of the reduction, the magazine ENVIO of the Central American History Institute said in its latest issue that the Nicaraguan Army continues to be the best trained and armed in Central America with 100,000 men in active service and 250,000 in the reserves in the event of direct aggression.

Meanwhile, the Nicaraguan opposition said it was not fully satisfied with the reduction, adding that the Army should be completely dismantled.

"The Sandinists say they have wiped out the contras. Why then, don't they completely eliminate their Army to show they do not have a totalitarian-militarist regime," Andres Zuniga, president of the Liberal Party of Nicaragua, asks.

"It would be best to reduce the military to a minimum, because it has been one of the main causes of inflation in Nicaragua," Jairo Manuel Lopez, secretary of international relations of the Social Christian Party, pointed out.

"The only way to end inflation is by increasing production and ending high defense costs," he emphasized.

President Daniel Ortega also pointed out that "to keep the country running" in 1989, Nicaragua needs a total of \$150 million, which the Foreign Cooperation Ministry is looking for in other countries.

The Swedish ambassador told ACAN-EFE in Managua that his country is going to donate \$74 million to Nicaragua this year, which is \$11 million more than in 1988.

Construction Ministry To Make Personnel Cuts
PA2001040589 Managua Radio Sandino in Spanish
1200 GMT 18 Jan 89

[Text] Jose Inocente Vargas, secretary general of the workers union of the Construction and Transport Ministry [MCT], has reported that a personnel reduction will affect over 10 percent of the ministry's workers.

The MCT has only 775 employees because of a similar reduction in staff made last February, Vargas said. He added that several proposals are being submitted to the Sandinist Central Organization of Workers to ease the impact on those affected. One such proposal is to continue paying their salaries for 3 months, as was done last year. In addition, jobs will be sought for them in the productive or agricultural-livestock sector.

Vargas said that people holding nonpriority jobs and those who can be let go without affecting the ministry's operations are being targeted for dismissal.

Panama

Noriega Addresses Omar Torrijos Foundation
PA2001030489 Panama City CRI/ICA in Spanish
19 Jan 89 pp 22, 23, 24

["Text" of speech by General Manuel Antonio Noriega, commander in chief of the Panama Defense Forces, FDP, at 17 January Omar Torrijos Foundation dinner at the Marriott Hotel in Panama City]

[Text] I once wrote an article for LOTERIA magazine. I did this after I read a book that had been given to General Torrijos. It was a book on those strange things that he called astrological, esoteric, etc, which he enjoyed very much. In the book, it said Aquarians never die.

Torrijos liked that, and I wrote that in the article. I stressed the philosophical and energetic traits that Aquarians, like Torrijos—with his ideals and aspirations—who create that energy and who develop in that type of atmosphere, have today and always.

Mr President Manuel Solis Palma; Professor Martiza Herrera, president of the Omar Torrijos Foundation; distinguished ministers; honorable magistrates of the Supreme Court of Justice and of the Electoral Tribunal; diplomats; friends of our homeland, Panama; members of the Panama Defense Forces General Staff and mid-level commands; friends:

I am grateful for the honor the Omar Torrijos Foundation bestows upon me by letting me address my friends of yesterday and today on our immortal patriotic struggle, which—in the same way as physical matter—changes form but never dies. The struggle for the total liberation of Panama's 77,082 sq km involves heightened patriotic awareness, a commitment to sacrifice, and a forward march without fear of the unknown and without expectation of material gain.

Today, as all of you fill this hall, we honor the contribution of a man named Torrijos. As you plan the foundation's first dinner of 1989, you are seeking to establish guidelines or plans to unite the links that will close the chain of the year 2000. From this podium, and considering the political and personal standing of the persons here tonight, I cannot talk here about an infantry battalion's advance tactics—it would be frustrating if I did. You, reflecting the diverse sections of Panamanian society, and as professionals, are interested in the characteristics of the 1989 administration. I share that interest and, as was said in the opening ceremony, an interest in learning and hearing ideas, though they may vary widely.

You want to know what the next government must do to maintain the struggle for liberation; what it must do to maintain the people's standard of living and how to prevent it from stagnating or falling.

We must accept that the Panama Defense Forces have a direct role in all fundamental solutions. They are directly involved in those solutions. They are directly related to these three questions. It is clear that these answers are part of a whole, and the FDP belong to that whole. The political parties, labor unions, and grass roots movements are also directly involved, as are those who have turned their labor and investments into sources of wealth and production.

We must accept that since the Transisthmian Railroad was built, the United States has had the ability to intervene in our destiny and the capacity to destroy our economy, and all of this is done in the name of democracy.

But gentlemen, it is extremely irritating that they should try to be the judges of what is and what is not democracy, and what Panamanian society needs or does not need.

Therefore, when we hear that they want to bring democracy to our society we feel that no one can believe them, because we can all see it is a stereotyped posture. The democracy that the people long for is far from the one that the centers of Anglo-Saxon culture are trying to impose on them through the oligarchy, which is manipulated by the State Department or the Establishment.

The democracy the people want is precisely not the democracy of white handkerchiefs and pot-banging. That is not the democracy that the anonymous men and women—those who have never been Social Security contributors or taxpayers—want. In fact, that social group is the most interested in what the government will do now, the most concerned about the next government, and the most eager to see an improvement in the situation. Those questions are directly related to the answers that must be given to the man who wants progress with nationalism, patriotism, and victory over colonialism. Those things are also linked to those who want to reaffirm national sovereignty according to a set timetable for the definitive departure of those who build facilities for their own use that limit his freedom of movement in his own territory; facilities that strangle and deform the urban development of his community and consume and contaminate—rather than preserve—the ecology of the reserves and resources belonging to the generation of the 21st century. Bique, Veracruz, Kobbe Beach, Farfan, Nuevo Emperador, Fort Sherman, and the waters of Lagarterita and of the Gatun Lake are in that category.

Economic dependence and subordination have combined to prevent our government from carrying out its development plans. We must accept the process of defining the ideals and goals that bring us together tonight as a true reflection of the evolution of peoples and societies that make history, which man has divided into centuries. This means that the Panamanian people's will to conduct the liberation struggle of their generation and maintain their social and economic demands should never lose the impetus given by the January martyrs in 1964 and that the ultimate objective in the 10 years between now and the 21st century is marked by milestones that are invariable and immovable, and which in the political field will be expressed in the governments of 1989-1994 and 1994-1999.

What does that mean? That means the essence of the renewal of the generational change of command and of the team that heads the process of liberation must continue developing. Future Panamanian governments and the duties that await them from now until 1999 must, therefore, never ignore their origins.

Let me discuss some historic lessons. The century that gave birth to the Panamanian governments that existed between 1903 and 1968—a total of 65 years, gentlemen—has been a completely special century, one built in the image and likeness of the establishment of the continent's center of power. The first Panamanian state

and government had strong specific characteristics. At that time, a single group of families had the best opportunities to use the country's wealth and to enjoy elite education.

Torrijos' return on 16 December 1969, his reality, and the support given to him by the people and the National Guard mid-level commands, changed this nation's destiny. It is this first runner in the administration's relay race to whom I am referring as the predecessor of the runner who will cross the finish line on 31 December 1999.

This play on words tells us that the political parties that assume the responsibility of leading the country and administering the state must realize they do it within a coalition based on an anticolonialist, liberationist principle. They must realize they will seek social development and the development of man's dignity. Those parties must become engrossed in a real, creative, and particular search—more than a philosophical, speculative, or theoretical search—for answers to the questions of who we are, where do we come from, what are we good for, in what can we invest, what can we do, what should we buy, and what should we sell.

Therefore, we must know, as the current times demand, that our government plans must have trade, marketing, and storage priorities. Our priorities must deal with our role as a country of transit and storage of merchandise. We must become a country that produces and exports basic agricultural products. We must exploit the wealth of our seas, which are not yet protected from the foreign, pirate vessels. Our tuna fish, shrimp, and sardines are unprotected. We cannot imitate an industrial country, because we lack the capacity.

The next government, I repeat, must clearly know that it has to break with formal structures that tie it down as an executive branch and turns it into a lavish and slow-moving bureaucracy that allows, encourages, and covers up bribery, extortion, and kickbacks from those who want to invest in Panama.

There is a need to reorganize the ministerial duties competing against each other in the framework of duplicating effort, because they respond to obsolete ministries and institutions that were created to respond to the realities and needs of a specific entity. As a result, this should lead us to the creation of a new work structure in accordance to the new demands that are needed and that emerge during the transition from one century to another.

The concept of political opportunity, along with the anarchic handling of insubordination and challenge to the president's leadership and discipline, should be grounds for deep adjustments. Therefore political parties must be aware that they are the instruments of a national and not a personal plan. They are the vehicles of a social solution by the people. They are not autonomous entities that jeopardize the strategy of the nation's development and security.

Each public employee who has been involved in labor union organizations in search of one's own stability should receive stability in direct proportion to one's output and loyalty.

I am not talking here about political or party loyalty; I am talking about the loyalty of not engaging in sabotage. Remember the Panamanian Air Force members who were killed and the criminal unionists at the service of a foreign embassy.

This government—which has not made massive dismissals; which has not promised to make drastic wage cuts; which has respected the bimonthly payments—should also understand it cannot be replaced by a throw-in-the-towel government. It should seek political solutions by increasing the payroll and by deploying public employees according to their abilities and needs. The administrative career law is the objective of leaders who are sure of their procedures and promote development among those who also have a responsibility with the liberation struggle and the year 1999.

However, I would also like to tell the public employees, with the truthfulness that distinguishes me, that they should not camouflage themselves.

I also want to tell them not to be deceived by the flirtations and the siren songs of those who do not believe in this struggle of liberation and were not appointed to those positions—yet now want to tie the employees down to the opposition ranks without offering them any economic or labor stability. Rest assured that the opposition—if, by chance, it were to win—would immediately launch the policy of dismissals that this revolutionary government has not wanted to enforce.

In this emergency, the government's strategy of development must include a centralization of assigning import quotas, import licenses, certificates, and other procedures that provide revenue that could strengthen specific areas of the national economy.

The Economy—The experience we have had must force us to change our material, moral, and mental manner in defining new uses and customs with a rationalized control of what we have and what we can afford. We had turned our society into a consumers' community of indiscriminate purchases, squandering, Master Cards, and Visa Cards, or as people used to say: Who cares how much it cost; it is only paper.

We must return to the practice of the small and medium enterprises as an economic reality, because the crisis showed that in the face of the blockade or blackmail or confusion with the larger enterprises, the small and medium enterprises confronted the lack of supplies and became—together with the low-cost markets and the food fairs—the logistical support of the needy class.

This strengthening of the small and medium enterprises should not exclude the government's support and protection for the larger enterprises, or businessmen who have other types of capabilities, different ranges of action, and who take bigger and more complex types of action.

The economic situation of all of these enterprises, of their commercial organizations, should also have a social and humanist sense of social profit. The government's rules of the game should be clean, without any hidden cards, and assure that investments will be stimulated and guaranteed by the state.

In the total sum of the economy, what really counts is the use of all forms of economic organization, including state investments, cooperatives, and private enterprise in all forms that exist and that had existed, without any fears or threats.

The Banking System—I know two new banks have requested permission to open. These are banks with money. While others hide their money, these are offering money. All doors are open. We continue to be the country that offers the most security for money. We are a magnet for the security of depositors. The experience of the men in the banking community who are concerned confirms we are right.

We must improve the banking system so it will be a Panamanian-style system which is in line with the circumstances of worldwide poverty, the foreign debt, and the new models of banking transactions.

For example, we felt that we had to suspend "banking secrecy" to fight drug trafficking. We implemented the Pisces operation. However, we were never given credit for that. Instead, the operation was used to strangle people who had nothing to do with drug trafficking.

The experience of the banking sector, which includes the keenness and knowledge of its managers, enables us to strengthen and improve the banking system, because it actually answers a historical and geopolitical reality of Panama. In the colonial era, the Spanish crown established its exchange houses and warehouses on the isthmus in acknowledgment of that reality. The Spanish crown was reacting to a reality in that century. This center could not exist in the Peruvian or Colombian viceroyalties; it could only function in the Isthmus of Panama. There you have the ruins of the Portobello customs building. They are silent reminders of past wealth, power, and splendor.

The IMF has become a dangerous monster, born out of the Bretton Woods agreements, and clearly is the imperialists' brainchild. They drafted the monetary policies and after abandoning the gold standard, they made up this long story about the pound sterling area and the dollar area on the pretext of giving indirect backing to the currencies of poor nations with gold reserves. This

was nothing but speculation to deceive the naive, underdeveloped countries. The sterling area existed until after World War I. After the war the gold was moved to Fort Knox, Kentucky, and Great Britain found itself having serious problems in maintaining its monetary area.

History tells us that Great Britain had to appeal to the English Empire's guarantee to preserve its leadership. U.S. competition and its struggle for domination had already accumulated 80 percent of the gold. Then it enacted its famous financial law that a dollar at the Federal Reserve Bank would be paid its value in gold. This very difficult system gained the necessary support to create the dollar area. From that point on, the dollar replaced sterling as the exchange currency of the Western world. As of this time, the site used by the two men who announced, at the top of their voices, the official price of gold was moved from the Tower of London to Wall Street, to a system that set the price of a troy ounce of gold in U.S. dollars in silence in Fifth Avenue offices. They established a political price that did not obey the law of supply and demand but permitted the collection of royalties in operations where this currency was used.

At the end of World War II, the loss of most of the gold reserves and post war costs seriously threatened the existence of the dollar area. The final story repeats England's situation after World War I. Because of this, it was necessary to create an instrument to consolidate the dollar area. This is where the IMF appears, strengthened by participation of a majority of Western countries that were committed to the IMF by virtue of their large contributions. From the IMF they would handle their currencies and would establish monetary policies and factors directly or indirectly linked to its members' economic developments. The historical sequence led to this situation, which went much farther until arriving at the present lamentable state. Today, the Indian and Mestizo Latin American is on his knees complaining. That is the IMF; that is the system that asks for radical adjustments involving drastic cuts in public expenditures, based on the elimination of services and jobs without caring about the social consequences. All governments that have adopted IMF measures have experienced social explosions in their societies.

Therefore, our government cannot accept measures for economic changes that may threaten our community with disintegration.

Foreign Relations—The creation of a new government must include, among its essential elements, the right to conduct international relations based on cultural and liberationist attitudes and affinities and economic opportunities without losing its inalienable right to choose its friends or its companions.

Since 1903, Panama has been playing the sad role of a nation whose international relations are determined by a foreign nation. Today, despite having broken our dependence on the continental power, we feel the pressure

against our signing the trade agreements with the USSR. Pressure is still being applied to prevent Panama from establishing relations with other countries. There is also direct and indirect pressure forcing Russia not to establish relations with Panama.

For the security of the new government's rearguard, it must establish international relations that contribute to the prestige of the country's right to self-determination and to the search for a varied trade exchange.

The strategy for national liberation cannot afford to appoint to government foreign service posts career and noncareer diplomats who are not connected to and are unaware of their historic responsibility. The new government cannot afford to do that, simply because history has taught us that those types of men would also join the club of turncoats. Those types of men share the same stock as the Zonians [residents of the Canal Zone area], the mercenaries—those who because of their idea of class, cowardice, dependency, culture, and education cannot live without those alleged ideological principles.

Their thirst for power proves that those men show they are morally small people who like a soft, cushy life.

The appointment of foreign service officials must be taken as a matter not only of administrative economy but also as a matter of importance to the area, because a foreign service official is an advanced representative of our doctrine.

Freedom of Expression—As for freedom of expression, as for the freedom of the press, there will be a demand on the new government, let me refer the new government to Jose Figueres [former Costa Rican president], to Pepe Figueres. When the Sandinists closed LA PRENSA newspaper in Managua, Pepe Figueres—admired by all democratic Panamanians, a man whom no democratic person can criticize, and the founder of Costa Rican democracy—said:

I fought against the Somoza dynasty throughout my life, because it was an expansionist dynasty. It bought large areas of land in Costa Rica and constantly interfered in our internal affairs. Furthermore, the members of that dynasty were absolute bandits and torturers. The U.S. Embassy in Managua supported them. I saw many movements organized to overthrow the Somoza regime, and I thank the Sandinists for having finally overthrown it. Now for the first time, Nicaragua has a government that is concerned about its people. I would have preferred a different kind of government in Managua. I am a fervent democratic person and favor an electoral system with freedom of expression. It hurt me very much when the Sandinists closed down LA PRENSA, but I understand Nicaragua is a nation at war, a nation besieged by the United States and regional oligarchies. When Somoza invaded Costa Rica, first in 1948 and then in 1955, we also established press censorship for as long as that threat lasted.

The Low-Intensity Conflict—Who set up the Civic Crusade in Panama? Who used their embassy to plot? Who carried out actions to pull us out of the Group of Eight? Who sent to the Philippines for the ones who later promoted destabilization? It was they—they who have always used Panama as an experimental field. The proof is that during World War II, they built on San Jose Island, in San Miguel Gulf, an operative laboratory for chemical warfare. What is Galeta Island? I want to take advantage of this meeting among men and women who share the same thoughts to tell them I will read the document containing the captains' doctrinal viewpoints. This commander in chief will proudly serve as their spokesmen.

Open quotation marks: They consider Panama to be a typical case of a low-intensity conflict—within the context of the Santa Fe document written by them—as a means of struggle through special psychological operations that include disinformation, false reports, terrorism, and cultural and religious subversion. The Santa Fe document clearly reveals two things. The first one we will omit, the second is the U.S. intention to remain in Panama beyond the year 2000 through so-called negotiations for which they will need a manageable and obedient government and defense forces. This doctrinal laboratory, which is being set up in Panama at the expense of the Panamanian people, is ironic—the captains continue to say—because sometimes it is hard to identify who is a rebel and who is not. From the U.S. point of view, we, the Panamanians, are rebels in our own territory, and they intend to democratize us. However, when we read the RB 7-13 manual called "Rebel Movement, A Subversive Rebellion," there are three models or strategies that can be used to overthrow a government and replace it with one that pleases the communists, they say. These are the strategies of the People's Unity Front, of the rightists, and of the leftists. If we analyze the strategies of the rightists, we can clearly see that our own situation includes a few alterations, changes, because the strategy states that both official and unofficial agencies could illegally—illegally—pressure and manipulate the influential elements of society, just as they have done in other cases. To make comparisons, we can see that some of the agencies they recommend are:

1. Subversive groups are replaced here in Panama by the Civic Crusade and the civic clubs—which have a legal status and freely conduct propaganda and recruitment activities.
2. The embassies and consulates: The RB 7-13 manual states that the first subversive group is composed of communists. However, we have not seen any communist destabilizing the country.
3. In point two of the manual they state that the embassies and consulates are of the USSR, the PRC, Korea, and others. However, we have not seen any Soviet Embassy here. There is no PRC Embassy here either.

We know there is an embassy and a consulate on Balboa Avenue, there is a residence in La Cresta, and meeting places in all restaurants of Panama. All of these have been used as centers for seditious and clandestine activities in Panama.

[We also know there are] exchange missions that provide economic help and gather information as they have been doing through transnational companies, the Panama Canal Commission, AID, and cultural exchanges, and by studying the techniques of the FDP offices that were not able to shield themselves from the prying while taking courses in U.S. schools.

Industrial advisers and technicians, under the guidance of the second in command at the [U.S.] Embassy, who has tried to import coups and overthrow governments, follow specific plans.

News and Travel Agencies—They have been among the most frequently used avenues for passing national and particularly international disinformation, even to the point of putting Panama on a list of countries that are dangerous for tourists. A cruise ship that used to dock at Colon has been advised not to do so. So we see that they have actually tried to implement in Panama what they themselves describe as strategies for subversive insurrection to overthrow governments. Regrettably, they have tried to do this with the shameful collaboration of the same Panamanians of 1903 who are reincarnated today.

Panamanian Women—I am proud to be here at the invitation of the president of the patriotic Omar Torrijos Herrera Foundation [Maritza Herrera]. The fact that a woman is in charge at this ceremony speaks highly of the role that women will play in the liberation process. The next government cannot ignore the militant role played by Panamanian women in the country's political and social life. They have given enough proof of courage and determination by creating organizations to defend our sovereignty, and by joining the Dignity Battalions in an outstanding way.

The men who will lead us to the year 2000 will count on the active and militant presence of Panamanian women. I am talking about Panamanian women in all the parties comprising the progressive monolithic unity struggling against colonialism. Panamanian women have felt no sadness or cowardice, despite the tension. She was always present, active and at the front. She did not concern herself or even contemplate the meaning of fear or danger. She was always there in times of danger or whenever her presence was necessary. There was no time of sacrifice when, as a mother, daughter, wife, or sister, she would not think only of her country's destiny. Those are the women I humbly recommend to the leaders of political parties opposed to colonialism. That is indeed the kind of woman I recommend to all the leaders of all kindred parties and friends. I suggest that from today, those leaders incorporate the women into their strategies for active and effective work during the 1989 - 1994

generational force. That kind of woman ought to be a real inspiration, formal participant, and militant on the relay race team; she will carry the torch of liberation along with her husband, children, brothers and sisters until Friday, 31 December 1999 at noon, marking the path for the departure of the last foreign soldier from our homeland.

If we had a crystal ball, we would see the Panamanian woman holding the torch of liberation with her companion at her side. That torch will turn into a sign that will read: Get out. All that is summarized in the philosophical idea of a female FDP paratrooper. On the day of the closing ceremony [not further specified], she said: Where there are women who move forward, there are no men who move backward.

I thank you for inviting me tonight to this meeting of friends and men committed to one single mission. Thank you for inviting me to the dinner of the Omar Torrijos Foundation, which brings together men of various political parties, men who do not belong to any party, diplomats, industrialists, businessmen, workers, labor union members, women, youth, and students. We are all here tonight because we have a common goal. Because despite our political preferences and differences at the polls, we share a common goal. First, we will never agree to be a colony. Second, the social and cultural background of all those who are sharing in the breaking of bread at this table tonight also share in the search for the infinite, where there is an ideal. It is the search for an ideal where there is progress. It is the search for progress where there is movement. It is the search for movement where there is energy. It is the search for energy where there is life.

I will conclude with a response to the suggestive topic of tonight's dinner, which is: Walking toward the year 2000. Looking toward the year 2000, including 1989 to 1994 and 1994 to 1999, [the next two presidential terms] I will answer in the way that Simon Bolivar did in Patimilca while he was lying in a hammock roasting with fever in the tropical heat: To victory.

CRITICA Reports U.S., Opposition Meeting
PA1901211789 Panama City CRITICA in Spanish
19 Jan 89 pp 1, 25

[Text] As this issue went to press, reporters observed a strange meeting in Tower 5 of the Condado del Rey building, near the Panamar restaurant in San Francisco de la Caleta, Panama City.

Attending the suspicious meeting, which was held at Michael Polt's apartment, were Southern Command Colonel Mark Cisneros, John Maisto, Joseph Maggi, Nicolas Vaughn, MOLIRENA [Nationalist Liberal Republican Movement] Secretary General Guillermo Casco Arias, Luis Martinez, Legislator Alfredo Oranges, Juan Real, Carlos Valencia of the Civic Crusade, Francisco Nestor Guerra, and Gabriel Mancilla, among others.

The names of other people who attended this strange and suspicious meeting will be given in tomorrow's issue.

Further on Opposition Meeting
PA2001160889 Panama City Televisora Nacional
in Spanish 2320 GMT 19 Jan 89

[Text] When the supposed struggle for the democratization of the country began in 1987, many Panamanians were surprised by the well-organized and well-funded campaign of the Civic Crusade, which used the innocence of the color white for neutrality. It disguised the hand and plans of the genocidal Reagan administration. Up until then, the Reagan administration's hand was hidden and protected by the traitors who, by accident, were born in the wrong place: Panama.

The dramatic situation we are all experiencing occurred in systematic fashion by employing deception, democracy, narcotics trafficking, slander, insults, lies, the staging of trials, and disinformation to discourage and soften up the Panamanian people in order to use them against their own government and their own national interests. The Reagan administration's hand was only suspected, but the resistance of our noble people and their nationalistic will frustrated the plans for domination. The interference of the Reagan administration was being revealed to show the United States' clear goal of domination so it would not have to comply with the Canal treaties and could continue its military occupation of our homeland.

Economic aggression, the extraordinary increase in the number of the invasion troops, the recognition of a traitor as president, and finally the participation of U.S. Embassy and Southern Command officials in our internal affairs, were gradually revealed.

In Washington there was Reagan himself and Elliott Abrams. In Panama there is Davis, Maisto, and Susan [Davis], among others. All these people were forced to show their faces and reveal that they, and only they, were the promoters and financiers of the treason, sedition, and destabilization of our country.

Two events occurred yesterday that confirm everything the Panamanian people suspected. First, in Washington, Elliott Abrams confessed in Spanish that the United States was responsible for everything we are suffering. [Video shows Abrams being interviewed in Spanish by unidentified reporter.] In an analysis of the Latin American situation, he said about Panama:

[Begin Abrams recording in Spanish] The future of Panama, of the Canal, and of Panamanian democracy depends on Noriega's future. But I have to add for history that I wanted to exert more pressure, much more, in March and April 1988. In that respect, I believe we erred in not exerting more pressure. [end recording]

To top it off, last night another event revealed the open, shameless, unjust, and treasonous intervention of the North Americans in the internal affairs of Panama. In the dark of night, they met at the Marina del Rey Condominium, in San Francisco de la Caleta, entering by the Panamar Restaurant road. Those present were General Mark Cisneros from the Southern Command and John Maisto, Joseph McGhee, and Nicholas Vaughn from the U.S. Embassy. They met with Luisito Martinz, Guillermo Casco Arias, Alfredo Oranges, Carlos Valencia, Juan Real, Gabriel Mancilla, and Francisco Nestor Guerra, among others.

These images [video shows individuals milling about and entering cars with official U.S. Army and diplomatic license plates], efficiently taken by our reporters, show the people and their vehicles during the suspicious meeting. Concerning the aggression, these images constitute the best proof for our people of the truth these individuals wanted to conceal. These people want to surrender our homeland to U.S. interests in exchange for a puppet government that would hand power back to them. Thus, they can serve the empire and dominate our people without considering the consequences such a measure would have for Panama.

Be alert, citizens. We have shown you the facts. The country's future, peace, and future generations who will inherit either sovereignty or a violent nationalist struggle, as we have been experiencing, depend on you.

Noriega, Solis Palma Celebrate Reagan Departure
PA2101033989 Panama City Circuito RPC Television
in Spanish 2300 GMT 20 Jan 89

[Text] At the same time that the new U.S. President was being given the oath of office in Washington, hundreds of Panamanians gathered at the 5 de Mayo Square to denounce President Reagan's policy toward our country. The event, which was attended by Minister in Charge of the Presidency Manuel Solis Palma and Panama Defense Forces Commander General Manuel Antonio Noriega, was organized by the Panamanian Government. Insults against Reagan and the Panamanian political opposition were heard throughout the event. Effigies portraying President Reagan and his diplomatic representatives in Panama were burned by supporters of the Panamanian Government.

Upon his arrival at the 5 de Mayo Square, Gen Noriega said that he did not expect anything new from George Bush's government. Meanwhile, Manuel Solis Palma, minister in charge of the presidency, said that he does not expect much from the new U.S. Administration.

Solis Palma on Reagan Administration
PA2001190689 Panama City Domestic Service
in Spanish 1705 GMT 20 Jan 89

[Interview with Manuel Solis Palma, minister in charge of the Presidency, by reporter Jairo Posada at the Plaza 5 de Mayo in Panama City—recorded]

[Text] [Solis Palma] Reagan's attitude to world politics, particularly concerning Panamanian politics, has been so

negative that we are glad his term is over. We cannot predict what the next administration will be like; it is better to wait.

[Posada] Mr President, do you expect changes? Are you optimistic?

[Solis Palma] Not optimistic. That is simply a possibility.

[Posada] Will the Panamanian Government's policy change in any way? Will the Panamanian Government take the initiative and seek a dialogue with the U.S. Administration?

[Solis Palma] The basis of Panamanian policy cannot change because it involves the defense of our sovereignty. We are willing to participate in a dialogue that is carried out within a framework of respect for the Panamanian people's rights.

Noriega Meets With Visiting Soviet Journalists
PA2201205889 Panama City Television Service
in Spanish 1530 GMT 22 Jan 89

[Text] Distinguished Soviet journalists touring Latin America visited Manuel Antonio Noriega, commander in chief of the Panama Defense Forces, last Thursday. During their visit, the journalists, on behalf of their comrades, greeted General Noriega, with whom they talked about matters of general interest.

After receiving a few souvenirs from the journalists, Gen Noriega gave them a Panamanian hat and several books from the Acuario Publishing House.

Opposition Agrees on Ticket Headed by PPA
PA2001010789 Panama City Circuito RPC Television
in Spanish 2342 GMT 19 Jan 89

[Text] An Authentic Panamenist will head the democratic opposition's presidential ticket. Ricardo Arias Calderon, president of the Christian Democratic Party [PDC], stated the following after meeting with the various opposition political parties.

[Begin recording] [Arias] For more than 1 month, Panamanians have experienced extreme anxiety because we needed a single presidential ticket for the civic and democratic opposition and we were unable to form it. Last night the PDC decided to set aside the legitimate aspirations it developed during the past few years in its struggle at the front lines and to place the country above all else to give our people what they want: a hope, as represented by a single presidential ticket that will head this new stage of our country's democratic struggle. We spent all morning today talking to representatives of the true Authentic Panamenist Party (PPA) and we contacted Molirena [Nationalist Liberal Republican Movement] leaders. Together we agreed to form a single presidential ticket headed by an Authentic Panamenist leader as the presidential candidate, a PDC leader as the

vice presidential candidate, and a Molirena member as the second vice presidential candidate. Each of these parties, consulting among itself and with the other parties, will identify the person who will represent the party on the presidential ticket. A period of reconciliation and fraternity with liberty and justice must begin.

[Reporter] Considering the [Panamanian Government's] rejection of the PPA [opposition faction], what will the plan be if the Panamenists, or the faction headed by Mr Endara, loses its legal status?

[Arias] The decision we have made is a united and firm response to the fraud committed by the Electoral Tribunal, which deprived the genuine PPA of its legal identity and its symbol. It is another trick of the dictatorship. Therefore, we take advantage of this opportunity to respond in a united manner with the strength that our unity gives us. We, the PDC, say something that we hope to share with everybody. Together we can give our country democracy in spite of everything done by the dictatorship.

[Reporter] Why wasn't there a consensus from the very beginning to form this ticket?

[Arias] Because we are democratic parties; we are not a military regiment where one gives the orders and the others obey, as occurs in the so-called Colina [National Liberation Coalition]. In fact, the dictionary defines colina as a small mound. [play on words "poca altura," which means a lack of stature] We are democrats, and in a democracy one discusses the various viewpoints, but when the country is at stake, democracy and democrats respond with unity. [end recording]

Opposition Parties Announce Presidential Ticket
PA2101013389 Panama City Circuito RPC Television in Spanish 2300 GMT 20 Jan 89

[Text] After many intense and fruitless meetings, the opposition parties finally agreed on a single presidential ticket for the 7 May elections. This large responsibility fell on Guillermo Endara of the Authentic Panamenist Party [PPA] for president, Ricardo Arias Calderon of the Christian Democratic Party for first vice president, and Guillermo Ford of Molirena [National Liberation Republican Movement] for second vice president.

The announcement, made at the home of PPA leader Jorge Pacifico Adames, was joyously received by party representatives and Civic Crusade followers, who expressed their support for the recently agreed upon presidential ticket. Legislator Francisco Artola of the PPA announced the new opposition coalition.

[Begin Artola recording] The opposition parties have selected their presidential ticket. This great responsibility has fallen on distinguished citizens. Molirena, which

has strived tirelessly for democracy, proposed a distinguished Panamanian businessman, no other than Guillermo Ford, for second vice president. [applause]. This unbeatable trio, who will put an end to the Panamanian dictatorship, includes a man who needs no introduction because he has already been presented to the country and has been active 24 hours a day. We proudly present Ricardo Arias Calderon, who has been selected for first vice president. [applause] In addition, we have selected Guillermo Endara Galimani to bear the banner that will take us to power. [applause] [end recording]

Once the single ticket, whose goal is to win the 7 May elections, was announced, presidential candidate Endara said:

[Begin Endara recording] With the lasting memory of Dr Arnulfo Arias Madrid, who was PPA president until very recently, I accept this nomination as a disciplined PPA member. In addition, I am aware that I am being offered an opportunity for a struggle. This is not a gift and this is not just an honor. Above all, this is an opportunity for struggle, a chance to offer myself, my name, and my efforts to restore democracy and human rights in Panama. [end recording]

Arias Calderon added:

[Begin Arias Calderon recording] It was not enough to say the homeland comes before all else. All the cobwebs had to be swept away and everything had to be given for the fatherland, no matter what the cost. And we did it. [applause]. Together, we are all going to participate in the struggle, because, as the Indian Lorenzo said, the struggle.... [applause] [Arias Calderon changes thought] We will struggle for essential things, such as living in a democracy. We will leave behind 20 years of dark and criminal dictatorship. [applause]. We will fight to restore our destroyed economy and give hope and opportunity to the poorest Panamenians, those who suffer the most, those who are sunken in despair, those who are harassed and cornered by the dictatorship. More than for anybody else, the struggle is for you, the poor of Panama, not for anybody else. [applause] [end recording]

Ford also expressed his views:

[Begin Ford recording] Mireya Moscoso de Arias [Arnulfo Arias' widow] said during the meeting we held in Santa Monica that the gentleman who says he is the strongman in this country had made a bet that the opposition parties would not unite. If he wants to make good on his word, let him hasten to pay this bet. [applause] This is not a struggle waged by Guillermo, Ricardo, or me. As I said on 50th Street, this is a white [opposition symbol] struggle. The white flag paved the way so we politicians could proudly and responsibly hoist aloft the tricolor flag that covers all Panamenians without hatred and resentment and with peace in a single country. [applause, crowd chants: "Justice, justice!"]

Free men and women of this country: Not only will we not disappoint you, not only will we lead you to victory, but we assure you that we will struggle for this victory. We will not be stripped of the genuine victory at the ballot box. [applause] [end recording]

PDC, MOLIRENA Approve

PA2201230889 Panama City ACAN in Spanish
2143 GMT 22 Jan 89

[Text] Panama City, 22 Jan (ACAN-EFE)—The opposition candidates for the 7 May Panamanian elections said today that the elections will really be a plebiscite against General Manuel Antonio Noriega, the regime's "strongman," regardless of who the progovernment party candidate is.

Ricardo Arias Calderon, Christian Democratic Party [PDC] candidate for the first vice presidency, said: "We are going to vote to get the thorn out of our side," while Guillermo Endara, presidential candidate and Authentic Panamenist Party [PPA] member, promised "a government of national reconstruction."

Endara, Arias Calderon, and second vice presidential candidate Guillermo Ford, were officially proclaimed today at the PDC and the Nationalist Liberal Republican Movement [MOLIRENA] party conventions. Ford is a member of the MOLIRENA party.

Hundreds of opposition members chanted "Chuchungo for president" at a rally in two Panama City theaters. Chuchungo is Endara's nickname, and he promised to restore democracy, justice, and liberty in Panama.

The presidential candidate is a lawyer, 52, and was Arnulfo Arias' right-hand man. Arias, now deceased, was the populist leader who founded the PPA.

The PPA won the most votes (27 percent) in the 1984 elections, and officially is not part of the opposition alliance because a splinter group, led by Hildebrando Nicosia, whom the opposition accuse of being Noriega's ally, kept the party's name and symbols.

Mireya Moscoso, the widow of three-time president Arnulfo Arias Madrid, accompanied Endara to the conventions and was introduced as "president of the Arnulfist Party, currently in formation."

Endara, Arias, Ford, and the leaders of eight opposition parties and the Civic Crusade, attended both conventions and leveled serious accusations and personal insults against Noriega and the Panamanian Government.

At the PDC Convention, after the introductions had been made, a leader shouted that the candidates were the ideal threesome to oppose the government alliance, the National Liberation Coalition (COLINA), which he called the "coalition for unhindered drug trafficking."

In addition to the PDC and MOLIRENA, Endara, Arias, and Ford have the support of the Arnulfists, People's Action Party (PAPO), Authentic Liberal Party (PLA), Popular Nationalist Party (PNP)—a Republican Party (PR) group that is loyal to deposed President Eric Arturo Delvalle—and a dissident faction of the Labor Party (PALA).

Ford, a 52-year-old banker and business leader, demanded the reopening of the news media closed down by the government and the return of all Panamanians in exile.

Arias Calderon, 55, holds a doctorate in philosophy and has been a candidate for vice president on three separate occasions. His PDC obtained the second-highest percentage of opposition votes (8 percent) in the 1984 elections.

The parties that support the government have not yet revealed who their candidates will be, and there are many rumors that General Noriega himself might seek the presidency, something which he has neither confirmed nor denied so far.

Arias' Widow To Lead Resignation From PPA

PA2101184289 Panama City MEDIODIA in Spanish
20 Jan 89 pp 1, 10

[Unattributed report]

[Text] Mrs Mireya Moscoso de Arias, widow of the three-time president Dr Arnulfo Arias Madrid, will lead a mass resignation from the Authentic Panamenist Party [PPA] as a result of the Electoral Tribunal's ruling recognizing Hildebrando Nicosia as president of that party. Guillermo Endara informed MEDIODIA of this, adding that the resignation will probably take place next week. In the 1984 general elections the PPA gained the support of 250,000 people, but it has only 35,000 members according to the Electoral Tribunal register.

On Wednesday, the Electoral Tribunal turned down a series of challenges filed against the national convention that elected Hildebrando Nicosia as PPA president.

PPA Member on 'Requirements' for Elections

PA1901125689 Panama City Circuito RPC Television
in Spanish 2300 GMT 17 Jan 89

[Text] Antonio Dominguez, member of the Authentic Panamenist Party [PPA], has said the basic requirements to hold presidential elections, such as freedom of assembly, free speech, and independent media, are nonexistent. Let us listen to him:

[Begin Dominguez recording] If elections are held—and I have been saying all along that I personally do not think elections will be held here for many reasons—it is indispensable that the opposition run united, because the enemy is not strong but has all the mechanisms to do

what it did in 1984. The only way we can win—if elections are held—is to run united, because the votes will be there but will have to be protected.

I contend there will be no elections, because aside from this medium—which is called to task when one talks a little too freely—and a newspaper that publishes some things every once in a while, there are no media available to truly carry out a political campaign. The government cannot tolerate any political criticism for a single day, and proof of this is that Radio Exitosa has been virtually censored lately. All of that station's slightly critical programs have been eliminated, and the so-called electoral campaign is just beginning.

The commitment to the people has to be kept. The commitment cannot be to foreign countries. The government must keep the commitment to the people to hold elections, and it is not providing a single condition to hold them. If it tells me the IMF is demanding them, it is a tale. The commitment is to the people and it is not being kept. [end recording]

Altamirano Denies Presidential Candidacy
PA1901135089 Panama City Circuito RPC Television
in Spanish 2300 GMT 18 Jan 89

[Interview with Legislator Tomas Gabriel Altamirano Duque by unidentified reporter; date and place not given—recorded]

[Text] [Altamirano] There is no doubt that an agreement with the United States must be reached. Our country's economy is unjustly being destroyed. We saw on television yesterday that three people were killed in Miami because they were throwing rocks. Groups of blacks have been throwing rocks in Miami; many people have been injured. They know very well that they should not be meddling in domestic affairs of our country; however, they are meddling, and they are destroying the country.

I think the Panamanian presidential candidate must be someone who can convince the United States that there has already been enough meddling in Panama.

[Reporter] What kind of an arrangement are you suggesting should be made?

[Altamirano] I think we should approach the U.S. Senate. I think we should talk with the Foreign Affairs Committee. They are the ones drafting the U.S. Government's foreign policy. They are perfectly aware that the problems we have here are the same in many other countries. However, if there is a U.S. Embassy, like the one we have here, meddling, planning, financing, and encouraging the people to take to the streets, then the problem is going to worsen.

[Reporter] We have heard your name mentioned as a possible presidential candidate. What are your aspirations?

[Altamirano] I am running for legislator representing Chepo. Anything else is only a rumor in the newspaper and on radio. They nominate anyone who is 35 years old and just wait and see what happens. I have not been approached on the issue of nomination. I am campaigning in my area, where I think there are still many things I must do to get reelected.

Panamanian Members of PCC Leave Board Meeting
PA1901131789 Panama City Telemetro Television
in Spanish 2300 GMT 17 Jan 89

[Text] The Panama Canal Commission [PCC] Board of Directors meetings should remain detached from political topics, the Panamanian members reiterated to the binational organization. The members have returned from Houston. Oyden Ortega and Carlos Ozores Typaldos, Panamanian members of the PCC, claimed the U.S. Government has been violating the rules that govern the PCC Board of Directors meetings.

One of the major factors within the country's current political situation has been the presence of Panamanian citizen Juan B. Sosa, Panamanian ambassador legally recognized by the U.S. Government.

Ortega and Ozores reported that for the last 1 and 1/2 years Panama has not received approximately 84 million balboas in Canal annuity payments. The Panamanian representatives in Houston decided to leave the meeting because of Mr Sosa's presence there, but protested what they described as a U.S. imposition that affects the implementation of the Torrijos-Carter treaties, which the Reagan government constantly violates.

[Begin recording] [Ortega] The government Mr Sosa says he represents does not have the authority anywhere, nor can it comply with any international obligation. Even if Mr Sosa's presence were accepted by us, we would have to start debating very controversial incidents, such as the U.S. claim that many of the Panama Canal treaty violations were made because Mr Delvalle and Mr Sosa had requested them, even though it is our opinion that nothing empowers any government or authority to violate an international treaty.

We presented the Panamanian argument concerning the requirement for increased hiring of Panamanians to executive and managerial positions within the PCC. Panama protested the appointment of a U.S. citizen to the post of PCC director of public affairs. We also presented our points of view concerning the 1991 fiscal year budget, emphasizing that the budget proposals should take into account that all Panama Canal investments and improvements should be charged to the U.S. Treasury and not to PCC operating expenses. We also presented a properly supported document on the need for the PCC to draft a Panama Canal improvements and maintenance program covering the years 1989-2000, to be discussed at a later board meeting.

[Ozores] We are now convinced that Mr Sosa's presence follows a U.S. State Department decision. If it were Mr Gianelli's decision, the meeting could have taken place without Mr Sosa, because Mr Gianelli—like the U.S. members on the board—are now convinced that any board of directors meeting should omit political matters. Mr Gianelli also expressed his concern over the situation within the PCC with the Panamanian employees' tax withholdings. Perhaps they should have given it more thought in the beginning, if they ever did give it any thought at all. However, now that they have noticed the negative effect it is having among all Panamanian personnel working with the PCC, they are really concerned and feel this situation should end. [end recording]

Law School Dean Criticizes 'Lack of Freedom'

PA1901124289 Panama City Circuito RPC Television
in Spanish 2300 GMT 18 Jan 89

[Text] The third industrial luncheon meeting was held today at noon. The event was organized by the Trade Union of Panamanian Industrialists [SIP], and the guest speaker was Edgardo Molino Mola, dean of the University of Panama Law School. During his speech entitled "Popular Elections, Solution to the Crisis," the Law School dean talked about our political history and our current situation:

[Begin Molino Mola recording] It is said that since 1903 we have had only two clean elections: in 1932, won by Harmodio Arias Madrid, and 1960, won by Roberto Francisco Chiari. The 1932 elections were presided over by Ricardo Joaquin Alfaro, and the 1960 elections by Ernesto de la Guardia, Jr. Despite all the fraud against Arnulfo Arias Madrid in the 1968 elections, his triumph was admitted. Electoral fraud has been one of the most widely used means to achieve power. The May 1989 elections will only be a partial solution to the crisis if

they are held as established in the constitution—with our present lack of freedom since the opposition media has been banned. LA PRENSA, EXTRA, QUIUBO, EL SIGLO, Radio Mundial, and Radio KW Continente, remain closed. Panavision Television, channel 5, also was closed the minute its owners were no longer part of the government. The same has happened with radio stations that are members of other opposition parties. The independent media is being strongly threatened and pressured. The locales of many professional, labor, and trade unions continue to be occupied by the oppressive regime. Among the occupied locales are SIP, the Chamber of Commerce, and the Institute of Hydraulic Resources and Electrification [IRHE] workers union. The IRHE workers union funds have been confiscated by the government, and their leaders have been forced into exile. The same situation has been experienced by the leaders of the aforementioned organizations, who have been arrested and some even deported.

Therefore, the partial solution to the crisis will depend greatly on the impartiality in the elections of the National Guard, which currently is partial; it is on the side of the Democratic Revolutionary Party and the other parties that today compose the so-called National Liberation Coalition group.

The elections will be the beginning of the solution to the crisis if they are held as established by the constitution. That is, with freedom and honesty, respect for the people's sovereignty, and impartiality on the part of the National Guard, which should behave as a national military institution.

We must continue to hope we will recover democracy. Other peoples have experienced the same difficult times Panama is currently experiencing. With the help of God, we will also overcome dictatorship and return to democracy. [end recording]

Argentina

Regiment Attacked by Unknown Persons

PY2301102689 Buenos Aires NOTICIAS ARGENTINAS
in Spanish 1009 GMT 23 Jan 89

[Text] Buenos Aires, 23 Jan (NA)—This morning at 0630 a group of unknown persons reportedly attacked the installations of the 3d Infantry Regiment, based in La Tablada [Buenos Aires City]. The attack was repelled by a guard, and there was a fierce firefight that caused panic and concern among the neighbors of the area.

In repeated telephone calls to the media, the neighbors indicated that the situation was confusing, and that up to 0800 this morning shots were still being heard in the neighborhood of the regiment.

In a telephone call to the regiment, Radio Mitre was answered by a soldier, who confirmed the firefight, although he said that he did not know who the attackers were.

Shooting Continues

PY2301111589 Buenos Aires DYN in Spanish
1044 GMT 23 Jan 89

[Text] Buenos Aires, 23 Jan (DYN)—At 0815, shots could still be heard within the installations of the 3d Infantry Regiment, based in La Tablada. The area has been cordoned off by police, who at times are being attacked from inside the regiment.

Workers of a service station located at the roundabout on Crovara Avenue have reported that the main attack against the regiment took place at 0615 and was carried out by civilians who arrived in one truck and six cars.

According to this version, the unknown persons crashed through the main gate with the truck and the persons occupying the cars entered the regiment and overcame the guard.

According to other versions, at approximately 0300 unknown persons threw three or four grenades into the regiment's installations. The grenades exploded, but it is not known whether there are any victims.

After the attack, in which women participated according to some police sources, the regiment's guard began to defend the installations. The shoot-out still continues.

It has also been reported that police are being shot at from inside the regiment. Police returned the fire after they placed some of their personnel on the roofs of neighboring buildings.

Police sources have indicated that they have suffered casualties, including an inspector named Martinez and a corporal named Sanchez.

Sources have indicated that there are casualties inside the regiment, but this has not been confirmed.

Reinforcements Arrive

PY2301121089 Buenos Aires DYN in Spanish
1150 GMT 23 Jan 89

[Text] Buenos Aires, 23 Jan (DYN)—A military source has stated that the first evaluation of the attack against the 3d Infantry Regiment in La Tablada points to the fact that it is a subversive act.

The evaluation is based on the fact that there were diversionary maneuvers in the neighborhood of the regiment before the attack, and the fact that women are participating in the incident.

Other sources have indicated that within the installations, where the 3d Infantry Regiment and another small unit are based, people are believed to have died.

After the first shock, unmarried officers who sleep at the base began to return the fire of the attackers. It is believed there are approximately 50 attackers. The officers prevented the unit from being taken over.

The area has been cordoned off by members of the Buenos Aires Provincial Police. Two buses full of military personnel have arrived and will apparently attack from the rear of the garrison.

Reinforcements Airlifted

PY2301122489 Buenos Aires NOTICIAS ARGENTINAS
in Spanish 1212 GMT 23 Jan 89

[Text] Buenos Aires, 23 Jan (NA)—An Army Staff source has indicated that Army troops are being transported by helicopter to the 3d Infantry Regiment in order to "recover" it.

An unspecified number of troops are believed to be coming from units located near the regiment where the firing is heard.

'New Argentine Army' Claims Attack

PY2301124489 Buenos Aires NOTICIAS ARGENTINAS
in Spanish 1228 GMT 23 Jan 89

[Text] Buenos Aires 23 Jan (NA)—According to pamphlets that have been strewn throughout the area, the armed group that is trying to take over the 3d Infantry Regiment in La Tablada has claimed that it is a part of the "New Argentine Army." The pamphlet indicates that the self-styled "New Argentine Army" has "begun operations" to "combat Marxist subversion that is currently in power" and to combat the "Radical campaign to destroy the Army."

The pamphlet concludes with hurrahs [vivas] for Colonel Mohamed Seineldin and for Lieutenant Colonel Aldo Rico, who headed the previous military uprisings that occurred during the tenure of the current government.

Alfonsin Orders Action

PY2301125789 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1245 GMT 23 Jan 89

[Text] Buenos Aires, 23 Jan (NA)—President Raul Alfonsin, who has been in his office at Government House since early this morning, held a telephone conversation with General Francisco Gassino, ordering him "to take the pertinent action to immediately clear-up" the confusing incident that has been going on since early this morning in the 3d Infantry Regiment in La Tablada, according to Jose Igancio Lopez, the presidential spokesman.

Alfonsin also telephoned Defense Minister Jose Horacio Jaunarena, who was in Pinamar, but who is on his way back to Buenos Aires.

Border Police Placed on Alert

PY2301132289 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1256 GMT 23 Jan 89

[Text] Buenos Aires, Jan 23 (NA)—This morning President Raul Alfonsin ordered the National Border Police, which are subordinated to General Francisco Gassino, Army Chief of General Staff, to cooperate in reestablishing order at the 3d Army Regiment, based at La Tablada.

The National Border Police troops were immediately placed on alert in case the military crisis spreads to other combat units.

Government House Guard Reinforced

PY2301132389 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1309 GMT 23 Jan 89

[Text] Buenos Aires, 23 Jan (NA)—Troops of the Granaderos Regiment this morning reinforced the guards at the entrances to Government House, where President Raul Alfonsin is currently working in his office, in case the military crisis should deteriorate.

The troops, wearing combat fatigues, have taken up their positions at the entrances to the Casa Rosada.

'Sporadic Firing' Continues

PY2301134389 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1328 GMT 23 Jan 89

[Text] Buenos Aires, 23 Jan (NA)—At approximately 1100 sporadic firing could still be heard inside the installations of the 3d Infantry Regiment in La Tablada, which was taken over this morning by a heavily armed group.

The firing of heavy caliber weapons is intended to harass the regiment's troops, who are trying to take up tactical positions in order to repel the aggression.

More on Take Over

PY2301135189 Buenos Aires TELAM in Spanish 1310 GMT 23 Jan 89

[Text] Buenos Aires, 23 Jan (TELAM)—The 10th motorized Infantry Brigade, headquartered in La Plata and commanded by General Jorge Salperin, has initiated operations to retake the 3d Infantry Regiment which has apparently been partially taken over by an armed group.

Three people among those who tried to take over the La Tablada unit, and two people from the police officers and noncommissioned officers detachment surrounding the La Tablada Regiment, have reportedly died.

That information was furnished by a Radio Rivadavia reporter who is accredited to the Libertador Building, which is the Army headquarters. This reporter said that the La Tablada unit had been partially taken over.

The same reporter said that the group who attempted to take the La Tablada barrack forced the military personnel that were on guard duty to retreat into the unit's Officers' Club, where they took up position to repel the attack. At about 1030 sporadic shots could still be heard.

TELAM reporters witnessed the arrival of two trucks and other Army vehicles, which are parked outside the La Tablada regiment. Colonel Zamudio, commander of the 3d Infantry Regiment, might be in one of those vehicles.

Shortly before 1100, two helicopters, one from the Army and one from the Gendarmerie, were seen overflying the La Tablada regiment.

Information about those who tried to take over the La Tablada Regiment is contradictory. Leaflets praising Rico and Seineldin were found in the area, but some sources have denied this.

Police Storm Camp

PY2301135489 Buenos Aires DYN in Spanish 1346 GMT 23 Jan 89

[Text] Buenos Aires, 23 Jan (DYN)—At 1130 heavily armed police entered the main gate, which is located on Crovara Avenue, of the 3d Infantry Regiment, while Army troops entered a parallel gate known by the name of Torqueta.

Police entered the installations firing at the group that tried to take over the regiment. The group is entrenched in the officer's mess, meanwhile, police and Army troops have totally cordoned off La Tablada.

Tanks Open Fire

*PY2301142289 Buenos Aires DYN in Spanish
1412 GMT 23 Jan 89*

[Text] Buenos Aires, 23 Jan (DYN)—Two small Army tanks, which entered the installations of La Matanza Regiment, have fired on the main building of the unit causing severe damage.

Smoke could be seen coming from the building after several minutes of continuous firing, but now no firing can be heard from the unit.

Army Issues Communique

*PY2301150689 Buenos Aires NOTICIAS ARGENTINAS
in Spanish 1450 GMT 23 Jan 89*

[Text] Buenos Aires, 23 Jan (NA)—The Army General Staff has reported that General Francisco Gassino is "heading the operation" to recover the 3d Infantry Regiment.

Following is the text of the Army communique:

"The Army General Staff informs the population that, in view of the incident which occurred early this morning in the 3d Infantry Regiment in La Tablada, Army Chief of Staff General Francisco Gassino is now at the Army Operations Center (CENOPE) heading the operation with the assistance of his general staff.

"The troops that are now located in the neighborhood of the regiment are under the command of Colonel Jorge Halperin, commander of the 10th Motorized Infantry Brigade, who has started the operation to recover the military installations.

"The Army General Staff ordered the immediate start of the operation, which is currently underway."

Government Releases Communique

*PY2301150989 Buenos Aires TELAM in Spanish
1447 GMT 23 Jan 89*

[Text] Buenos Aires, 23 Jan (TELAM)—At noon the Government House released an official communique which states that "the armed group which this morning attacked the 3d Infantry Regiment has resorted to cruel procedures which under no circumstances can be justified by political or ideological considerations, because this is a group of criminals."

The communique, which was read at the Government House by presidential spokesman Jose Ignacio Lopez, adds that "the group, who has shown a high level of training for this type of operations, has planted explosives in the military camp."

Another passage of the communique says that "the unit's personnel have repelled the attack and are acting valiantly."

It adds that the Army Joint Staff has ordered immediate action to reestablish order, and these operations are now under way."

Police Confirm Two Dead

*PY2301154389 Buenos Aires DYN in Spanish
1520 GMT 23 Jan 89*

[Text] Buenos Aires, 23 Jan (DYN)—According to police sources, at least two male members of the group that tried to take over La Tablada regiment have died. One of them has been identified as Jose Luis Caldu.

The other dead person, whose identity was not disclosed, has blond hair. He was in possession of a grenade launcher and 40 millimeter shells. Although the brand names on this materiel have been erased, it did not come from the Army.

Firing Continues

*PY2301154789 Buenos Aires TELAM in Spanish
1537 GMT 23 Jan 89*

[Text] Buenos Aires, 23 Jan (TELAM)—At 1322 [1522 GMT] bursts of machinegun fire and heavy caliber weapon shots could still be heard inside the installations of the 3d Infantry Regiment.

Troops were observed to be heading toward the rear of the camp.

Army Officers Warn of New Uprisings

*PY2301131389 Madrid EFE in Spanish 1642 GMT
22 Jan 89*

[Text] Buenos Aires, 22 Jan (EFE)—Several Army officers have warned Peronist party leaders about the possibility of new uprisings "before the end of this month," the Buenos Aires press has reported, quoting political sources.

According to the daily PAGINA 12, Army Deputy Chief Valentin Venier and General Isidro Caceres informed Peronist leaders of the situation in the Army following the December rebellion. Gen Caceres is said to have told Peronist Deputy Miguel Toma and Electoral Campaign Manager Julio Mera Figueroa of the possibility of "a new military rebellion" before January is over.

Gen Caceres has said that this new movement may result from the "lack of political communication, both with the government and with the opposition."

The sources consulted by the daily have stated that in another interview Venier warned the Justicialist Party President Antonio Cafiero that, "far from being solved, the military unrest might explode by mid-February."

President Raul Alfonsin has admitted, in an interview he granted last Friday, that new outbreaks of military dissatisfaction may take place before the end of his office term in December, but warned that "the rebels will not win."

Some sectors of the Army have demanded that the trials of military officers in civilian courts for alleged human-rights violations, and the pretrial inquiries by military courts following the most recent military uprisings, be suspended.

The demands of dissatisfied military personnel do not sit well with the main Argentine political parties, which have flatly refused to support an amnesty law that would benefit the officers that are now being prosecuted.

In the meantime former Army chief General Hector Rios Erenu, retired, contended yesterday that as long as positions in the Army are divided "there will be problems, and the institutional situation will continue unsettled." He added that this division "will take many years to be overcome because those who have mistakenly departed from the law will continue to feel they have the same right as those who have loyally served the institution and the country."

Minister Orders Retirement, Discharges
PY1901174389 Buenos Aires Domestic Service
in Spanish 1500 GMT 19 Jan 89

[Text] Defense Minister Jose Horacio Jaunarena has ordered the retirement of Raul Sagastizabal, deputy prefect of the Argentine Naval Prefecture, and the discharge of four officers who commanded the rebel Albatros group during the rebellion that was led in December by Colonel Mohamed Ali Seineldin, who is currently under arrest.

According to a local morning newspaper, Jaunarena signed a resolution ordering the discharge of senior officer [official principal] Gabriel Schauvinhold, petty officer [official auxiliar] Pedro Palacios, and of junior officers [oficiales ayudantes] Raul Barrios and Fabian Caminos.

Brazil

Sarney Sends Congratulatory Message to Bush
PY2101011089 Brasilia Domestic Service
in Portuguese 2100 GMT 20 Jan 89

[By Gustavo Mariani from Itamaraty]

[Text] President Jose Sarney has sent a message to President George Bush congratulating him on his inauguration as President of the United States. This is the text of the note:

At the moment when Your Excellency is installed as President of the United States of America, in my name and in the name of the Brazilian people I ask you to receive our warmest wishes for a successful administration.

In my name and in the name of my wife Marli, I wish you and Mrs Bush personal happiness. I am sure that the traditional ties that bind our two countries will be

strengthened during Your Excellency's administration. I thus assert to you that my best efforts will be dedicated to this task. Signed: Jose Sarney, president of the Federative Republic of Brazil.

Minister on Relations With Bush Administration
PY2001140189 Brasilia Radio Nacional da Amazonia
Network in Portuguese 0930 GMT 20 Jan 89

[Text] Brazil expects to maintain good relations with the Bush administration. Foreign Minister Abreu Sodre is sure that Brazilian-U.S. relations will be at the best possible level under the Bush administration, and he believes the only thing the two countries should do is give continuity to the traditional dialogue they have held.

[Begin Abreu Sodre recording, in progress] ...the United States and the Brazilian democratic tradition. The United States thus become our major partner in the northern hemisphere. What we expect of this new administration is continuity and stability in this strong ideological affinity. [end recording]

Abreu Sodre added that Itamaraty has not yet scheduled an invitation for George Bush to visit. He said, however, that Bush will be invited to visit Brazil before the end of the Sarney administration.

Delayed Payment, Possible Moratorium Discussed

Minister Explains Delay
PY1901005589 Rio de Janeiro Rede Globo Television
in Portuguese 2155 GMT 18 Jan 89

[Text] Next week Brazil will pay the \$500-million interest due on the debt. Payment will be made only after the creditor banks release new money.

Minister Mailson da Nobrega tried to explain why the \$19-billion trade surplus registered last year did not provide adequate funds through January 1989, when Brazil had to delay the payment of interests on its debt for lack of reserves.

According to Nobrega, a high trade surplus does not necessarily mean the country has cash, because the government uses this money to pay all its obligations abroad throughout the year.

Nobrega said the reserves are low because the \$1.1 billion promised by the World Bank, the IMF, and the Japanese Government have not been sent to Brazil.

Nobrega thinks the creditors believed Brazil had decreed a moratorium on the interest.

[Begin Nobrega recording] There was some nervousness. Some agencies overemphasized the suspension of the interest payment and exaggerated the remarks I made in Brazil.

We have already contacted our main partners abroad and explained to them that there has been no suspension of interest payments and that we are having operational problems at the Central Bank. As a result, only next week will we be able to pay the interests that became due yesterday. [end recording]

The indispensable condition for this payment is to reach an agreement with the World Bank, with which Brazil is currently holding talks in Washington. As soon as an agreement is reached, the commercial banks will release \$600 million and the Japanese Government will release nearly \$450 million more.

Adviser Views Moratorium

PY2001021889 Rio de Janeiro O GLOBO
in Portuguese 19 Jan 89 p 20

[Text] Brasilia—The Brazilian Government has informed its private creditor banks that it will not be able to pay its regular foreign debt payments in the next few months if the new money that was promised for 1988 is not released. Sergio Amaral, the Finance Ministry adviser for international affairs who has just returned to Brasilia after meeting with the creditor banks committee in Washington, made it very clear in a news conference that Brazil may have to again declare a moratorium on its short-term foreign debt interest payments.

The Finance Ministry and the Central Bank were counting on the \$1.1 billion in new money that should have been released before the end of December 1988 to pay interests on the debt. However, the money—\$600 million from private creditor banks, \$250 million from the World Bank for the electrical energy sector, and \$250 million to be co-financed by the Japanese Government—has not been released as the government expected.

The disbursements were suspended because the World Bank does not approve of the Brazilian electrical sector program. The disbursement of the other loans is conditioned to this approval. Planning Ministry Secretary General Ricardo Santiago is now in Washington trying to convince the World Bank to approve the loan. The World Bank is hesitating because Electrobras [Brazilian Electric Power Companies, Inc] has decided to include nuclear programs in its plans.

Finance Minister Mailson da Nobrega, who also took part in the news conference at the Finance Ministry, admitted that the delay in paying the \$500 million in interest due has created a certain nervousness among the members of the international financial community. Therefore, Minister Nobrega has decided to contact some of the main creditor banks to tell them that the payment will be made next week.

Sergio Amaral admitted that the creditor banks were very upset about the Brazilian Government's decision to suspend the relending [preceding word in English] operations for 1 year and to reduce the number of debt conversion auctions. In Amaral's opinion the failure to comply with the relending clause (relending of resources deposited at the Central Bank), which was included in the agreement signed with private creditor banks, will force the Brazilian Government to request a payment waiver [preceding word in English].

Payment Planned 25 Jan

PY2101021589 Sao Paulo FOLHA DE SAO PAULO
in Portuguese 20 Jan 89 p 1-B

[Excerpt] Rio de Janeiro—Finance Minister Mailson da Nobrega said in Rio de Janeiro yesterday that the government will disburse the \$500-million debt interest payment that fell due at the beginning of the week on 25 January. The minister made this remark during a meeting with the presidents of the country's industrial federations at the National Confederation of Industries (CNI). Mailson da Nobrega added that the government will decide on a definitive suspension of debt interest payments only if Brazil does not receive the expected loan from the World Bank and other creditors, and "after negotiating it first." [passage omitted]

Sarney Discusses Moratorium

PY2101011489 Sao Paulo O ESTADO DE SAO PAULO
in Portuguese 20 Jan 89 p 1

[Text] Yesterday President Jose Sarney admitted that the government could declare another foreign debt moratorium if the country is unable to meet commitments with its creditors.

"The foreign debt payment is a matter of logic: If you have money, you pay; if you don't have money, you don't pay," Sarney said in an interview to O ESTADO. The president did not dismiss declaring a moratorium as a real possibility or even as a pressure ploy. In Rio de Janeiro, Finance Minister Mailson da Nobrega denied that the government is contemplating a moratorium, but admitted the possibility of declaring a suspension of interest payments if foreign banks do not make loan disbursements as provided for in negotiations or if the country's foreign reserves drop to a critical level. President Sarney said the country's foreign reserves are "at a difficult point."

Congress Tells Sarney To Dismiss Employees

PY2101015989 Rio de Janeiro Rede Globo Television
in Portuguese 2155 GMT 20 Jan 89

[Excerpts] This morning President Sarney called for congressional support for the Summer Plan. This afternoon Congress returned to President Sarney one of the most polemic measures of the plan. [passage omitted]

This morning Sarney voiced his concern over the success of the Summer Plan, which now depends on congressional decisions. Sarney said the Congress has always showed great sensitivity in finding solutions to the nation's difficult problems.

Once again, Sarney asked, will the Congress now share the executive branch's responsibility by approving the Summer Plan?

Facts, however, proved to be different from what Sarney expected. At about 1800 this afternoon, two congressional employees handed Planalto Palace personnel a document signed by Senator Chagas Rodrigues. The document returns to the executive branch Provisional Measure No 33, which calls for the dismissal of public employees.

The Brazilian Lawyers Association has supported the decision of acting Senate Chairman Rodrigues in returning the provisional measure to President Sarney. The Association's committee that is supervising the implementation of the new Constitution met today in Brasilia. The lawyers concluded that it is up to the executive branch to dismiss the employees.

1988 Trade Surplus 'Highest Ever'

PY2001162889 Rio de Janeiro Rede Globo Television in Portuguese 2155 GMT 19 Jan 89

[Summary] The Foreign Trade Department (CACEX) has officially announced today that the 1988 trade surplus was the highest ever recorded in Brazilian history.

Exports totaled \$33.781 billion and imports \$14.692 billion. The trade surplus, which in 1987 totaled \$11 billion, thus amounted to \$19.089 billion in 1988.

Chile

Position on Falklands Ferry Considered

PY1901133589 Buenos Aires DYN in Spanish
1018 GMT 19 Jan 89

[Text] Santiago, 19 Jan (AFP)—It has been officially reported that the Chilean Foreign Ministry is "evaluating" the statement by an Argentine diplomat about the Chilean Government's decision to authorize the operation of a maritime service between the Malvinas Islands and the port of Punta Arenas.

The service, which will also call at Montevideo, will be rendered by the "Indiana I," the cargo ship owned by a company headquartered in the Bahamas.

On 16 January, Raul Estrada, a counselor at the Argentine Embassy in Santiago, said that "any operation that supports the maintenance of the power that is occupying Argentine territory will surely hurt the feelings of my country."

Argentina claims sovereignty over the Malvinas Islands, where a war was waged against Great Britain in 1982.

Chilean authorities have said that the "Indiana I" may load and unload in Punta Arenas in line with the Chilean policy of free commerce and respect for international port service and navigation conventions.

The Chilean Government has reiterated its traditional support to the recovery of the islands by Argentina through peaceful negotiations.

Argentine, Chilean Demonstrators Receive Ship

PY2301125389 Santiago Domestic Service in Spanish
0930 GMT 23 Jan 89

[Text] The ferryboat "Indiana I" has arrived at Punta Arenas. The "Indiana I" is making a controversial trip between Montevideo and the Falklands, or Malvinas Islands.

Some 50 CUT [Central Labor Union] leaders joined with Argentine CGT [General Confederation of Labor] leaders to stage a demonstration in protest over the presence of the ferry in the port.

The ferryboat "Indiana I" has docked in the city port. The ferry is making a supply trip for the fishing company (Marine Western), which operates in the South Atlantic near the Malvinas Islands.

In the next few hours the ferry, with a crew of 28, will begin unloading two containers full of Uruguayan goods purchased by local businessmen. It will then load timber and fresh fruit, which will be shipped to the Malvinas Islands.

The company director, Captain (C.J. Footring), has said the trip was exclusively commercial, in support of his fishing fleet in the South Atlantic. This is a normal docking like any ship arriving at port and I cannot understand all the noise, the captain said.

The captain also talked about the advantageous position of Punta Arenas for the supply and repair of his ships.

Just before the arrival of the ferry, some 50 people, including opposition political leaders, staged a demonstration against the presence of the ship, reportedly in solidarity with the Argentine people. The group included Argentine CGT leaders, Chilean CUT and CDT [Democratic Central Organization of Workers] leaders, and Uruguayan port worker leaders.

Colombia

12 Judicial Officials Killed in Attack

PA1901144689 Bogota Emisoras Caracol Network
in Spanish 1217 GMT 19 Jan 89

[Text] Bogota—Twelve members of the judicial branch were premeditatedly and criminally murdered while performing their duties in central Magdalena, Santander Department. Meanwhile, three other judicial members who miraculously managed to survive the attack are successfully recovering after being taken to Bogota at midnight.

This is the worst massacre of members of the judicial branch since November 1985, when dozens of magistrates, employees, and guerrillas were killed in a holocaust at the Palace of Justice.

The brutal attack was carried out by unidentified elements, some of which were dressed in Army attire. According to high-ranking military sources, they may have been members of one of FARC's alleged fronts. Other sources claim, however, that the murderers may have been members of paramilitary groups and have even pointed to the Death to Judges Movement as being responsible.

The group that was attacked included two judges and their secretaries, nine technical judicial police officers, and the group's two van drivers. The group was intercepted on the La Paz trunk highway, at Puerto Nuevo, (La Rochela), San Vicente de Chucuri, 100 km south of Barrancabermeja.

Preliminary reports soon after the murders indicated that the police convoy had first been attacked with dynamite and then with rifle and machinegun fire. However, the details of the murder of these 12 officials were clarified last night. Official reports indicate that a group of armed men, presumably FARC members, intercepted the police convoy when it was heading toward the (La Rochela) road. They offered their cooperation to the officials and told them they had no reason to fear. The officials and police officers decided to trust the attackers, who then bound their hands, claiming they simply wanted to simulate a kidnapping for a military patrol that was allegedly approaching. When the officials were completely tied up, the criminals proceeded to murder them with rifle and machinegun fire.

The officials were taken from the vans one by one [words indistinct] in the head. The two judges, one of them a young woman lawyer, and the other a judge from the interior, [words indistinct]. Three of the police officers miraculously managed to survive the massacre by pretending they were dead. They were first taken to the Colombian Petroleum Enterprise production district emergency center in central Magdalena and then to the Petrochemical

Complex Hospital in Barrancabermeja, where they underwent surgery. At midnight, they were sent to the Bogota National Social Welfare Institute Clinic.

Barco Condemns Killings

PA2101183889 Bogota Emisoras Caracol Network
in Spanish 1215 GMT 19 Jan 89

[Text] In a letter addressed to Supreme Court President Jose Alejandro Bonivento, Colombian President Virgilio Barco said that the government, and all government institutions, must work to curb the advance of terrorists and those who use violence and terror to suppress ideas and [word indistinct] privileges. Barco's letter was written after a massacre of Colombian judicial officials. Barco stated that this latest bloody incident cannot be seen as just another crime because it is one of the most daring and deliberate act of violence ever perpetrated in the country.

Peru

Shining Path Bombs Main Copper Refinery

PA2101125589 Paris AFP in Spanish 0626 GMT
21 Jan 89

[Text] Lima, 20 Jan (AFP)—The police have reported that a commando group of the Maoist Shining Path detonated six dynamite bombs today inside the La Oroya copper refinery, Peru's main refinery, causing considerable damage and destroying the ramp which leads to the melting furnaces.

The attack caused no casualties and it did not affect the copper- and lead-melting furnaces in the refinery, which is owned by the state-owned enterprise CENTROMIN [Central Peruvian Mining Enterprise] and is located in the mining city of La Oroya, 188 km east of Lima.

The Shining Path rebels also distributed subversive propaganda urging the miners to join the armed struggle.

On New Years eve Shining Path rebels attacked the same refinery, blowing up water pipes that supply a hydroelectric dam and three locomotives. Two of the pipes were totally destroyed.

Terrorist Attacks Cause Blackouts in Lima

PY1901133889 Madrid EFE in Spanish 0431 GMT
19 Jan 89

[Text] Lima, 18 Jan (EFE)—Journalistic sources have reported that several sectors of the Peruvian capital were left in darkness today when presumed members of the "Shining Path" terrorist group blew up at least one power pylon.

According to neighbors of the zone, the destroyed power pylon is located near La Huaca Garagay, in the popular district of San Martin de Porres, north of Lima.

Eyewitness residents of the suburban community of Pacifico have reported that [passage indistinct] causing the blackout, they saw a group of unidentified people climbing a nearby hill carrying packages.

Among the zones affected by the power cut are Callao, the Lima port in the district of Magallanes. While in some places the blackout lasted a few minutes, in other places people only noticed a drop in the brightness of their lights.

Today's attack against the electricity line installations is the first since the "Shining Path" blew up five strategic power pylons on New Years eve, reducing by 50 percent the electricity supply to Lima.

On that occasion, the Peruvian State Electric Power Enterprise rationed the electricity supply for more than a week while it repaired the affected installations.

Street Demonstrations Back CITE Strike

PY1901140489 Madrid EFE in Spanish 0427 GMT
19 Jan 89

[Text] Lima, 18 Jan (EFE)—It was reported in Lima today that 30 persons were arrested on the 2d day of the indefinite strike that had been called by Peruvian public servants. The strike has been marked by street demonstrations that have been repressed by police.

Public servants have demonstrated in downtown Lima streets and in the metropolitan district of Miraflores.

The strike has been called by the Intersectorial Confederation of State Employees (CITE), which demands salary improvements and the reappearance of a customs labor leader who has been missing for over 1 month.

The CITE claims that 70 percent of its 450,000 members have joined the strike.

The protests on the 2d day of the strike were in sharp contrast with the 1st day, when there were no street demonstrations.

According to government sources, the strike is being observed by less than 50 percent of government workers and, in some sectors—such as education—it has passed practically unnoticed.

The CITE, which is demanding a 77-percent increase in the \$28 a month basic salary, has reported that personnel of the Interior and Defense Ministries have not joined the strike.

Antiterrorist police sources have said that labor leader Oscar Delgado, who has been missing since he was arrested on 9 December, was released the same day he was detained and that he has gone underground because it was confirmed that he is linked with the "Shining Path" terrorist group. The sources said that his wife Rosa Branes is also a Shining Path member.

Meanwhile, state bank workers are on the 2d day of a 48-hour strike they called over salary demands.

For its part, the Union of Public School Teachers has announced that it will mobilize in support of the demands of the CITE.